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Standing Committee on Finance  
Proceedings

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Government  
Publications

Third Session—Twenty-sixth Parliament  
1965

**THE SENATE OF CANADA**  
**PROCEEDINGS**  
**OF THE**  
**STANDING COMMITTEE**  
**ON**  
**FINANCE**

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The Honourable T. D'Arcy Leonard, *Chairman*  
The Honourable H. De M. Molson, *Deputy Chairman*

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No. 1

*First Proceedings On The Estimates*

laid before Parliament for the fiscal year ending 31st March, 1966.

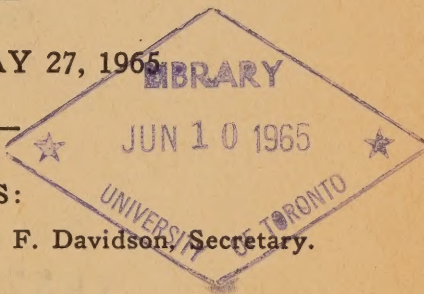
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THURSDAY, MAY 27, 1965

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WITNESS:

**TREASURY BOARD:** Dr. Geo. F. Davidson, *Secretary*.



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ROGER DUHAMEL, F.R.S.C.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1965



THE STANDING COMMITTEE

ON

FINANCE

The Honourable T. D'Arcy Leonard, *Chairman*

The Honourable H. De M. Molson, *Deputy Chairman*

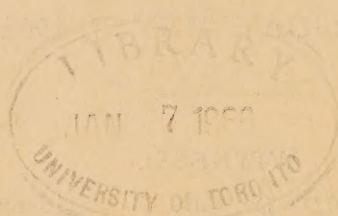
The Honourable Senators:

Baird	Macdonald ( <i>Brantford</i> )
Beaubien ( <i>Bedford</i> )	McCutcheon
Beaubien ( <i>Provencher</i> )	McKeen
Belisle	Méthot
Bouffard	Molson
Buchanan	O'Leary ( <i>Antigonish-Guysborough</i> )
Burchill	Paterson
Choquette	Pearson
Connolly ( <i>Halifax North</i> )	Phillips
Crerar	Pouliot
Croll	Power
Denis	Quart
Dupuis	Rattenbury
Farris	Reid
Flynn	Roebuck
Gershaw	Savoie
Grant	Smith ( <i>Queens-Shelburne</i> )
Grosart	Stambaugh
Haig	Taylor
Hayden	Thorvaldson
Hnatyshyn	Vaillancourt
Isnor	Vien
Kinley	Welch
Lambert	Woodrow
Leonard	Yuzyk (50)

*Ex officio members*

Brooks

Connolly (*Ottawa West*)



1037854



## ORDER OF REFERENCE

Extract from the Minutes of the Proceedings of the Senate, Thursday, May 13, 1965:

"The Honourable Senator Connolly, Q.C., moved, seconded by the Honourable Senator Hugessen:

That the Standing Committee on Finance be authorized to examine and report upon the expenditures proposed by the Estimates laid before Parliament for the fiscal year ending 31st March, 1966, in advance of the Bills based on the said Estimates reaching the Senate;

That the said Committee be empowered to send for persons, papers and records and to sit during sittings and adjournments of the Senate; and

That the quorum of the said Committee be reduced to seven members.

After debate, and—

The question being put on the motion, it was—  
Resolved in the affirmative."

J. F. MacNEILL,  
*Clerk of the Senate.*





## MINUTES OF PROCEEDINGS

THURSDAY, May 27, 1965.

Pursuant to adjournment and notice the Standing Committee on Finance met this day at 9.30 a.m.

*Present:* The Honourable Senators Leonard (*Chairman*), Bouffard, Buchanan, Burchill, Connolly (*Halifax North*), Flynn, Gershaw, Haig, Hayden, Isnor, Lambert, Méthot, O'Leary (*Antigonish-Guysborough*), Pouliot, Reid, Smith (*Queens-Shelburne*), Stambaugh, Taylor, Woodrow and Yuzyk.—(20)

On motion of the Honourable Senator Haig it was resolved to report recommending that authority be granted for the printing of 800 copies in English and 300 copies in French of the day to day proceedings of the Committee.

The Estimates for the fiscal year ending 31st March, 1966, were considered.

The following witness was heard: *Treasury Board:* Dr. Geo. F. Davidson, Secretary.

On the request of the Honourable Senator Phillips it was agreed that certain officials come before the Committee to inform the Committee about the progress of Expo '67.

At 11.00 a.m. the Committee adjourned until Thursday next June 3, at 11.30 a.m.

Attest.

Frank A. Jackson,  
*Clerk of the Committee.*





## THE SENATE

### STANDING COMMITTEE ON FINANCE

#### EVIDENCE

OTTAWA, Thursday, May 27, 1965.

The Standing Committee on Finance, to which was referred the Estimates laid before Parliament for the fiscal year ending 31st March, 1966, met this day at 9.30 a.m.

Senator T. D'ARCY LEONARD in the Chair.

The CHAIRMAN: Honourable senators, it is 9.30 and we have a quorum. The first item on the agenda is the usual motion with respect to the printing of the proceedings. Last year we had 800 copies printed in English and 300 in French, and it seemed to be sufficient.

The committee agreed that a verbatim report be made of the committee's proceedings.

The committee agreed to report, recommending that authority be granted for the printing of 800 copies in English and 300 copies in French of the committee's proceedings.

The CHAIRMAN: Following our last meeting your Steering Committee met and the decisions made by the Steering Committee were set out in a letter dated Friday, May 21, which all members of the Finance Committee have received. In addition, a copy of that letter has gone to all members of the Senate so that they are all familiar with the program outlined for us. I shall just run over it again so that you may be more familiar with it. You may ask any questions in connection with the program that you desire.

First of all, you were notified that at today's meeting the witnesses would be Dr. George Davidson, Secretary of the Treasury Board, and Mr. J. C. Allen, Director, Estimates and Supply Procedures, Treasury Board.

The intention is that Dr. Davidson's evidence today might pick up from where we left off last December, with the report of the committee at that time outlining various recommendations dealing mainly with the Glassco Report. Dr. Davidson will be able to tell us what has happened in the interim with respect to the recommendations and the suggestions contained in the report of this committee. Also Dr. Davidson will be able to give us, I hope, a general run down on the estimates without going into them in detail.

The suggestion was that we hold meetings once a week from now until the summer recess, if we do get a summer recess, and that at least for the suggested meetings of June 3, 10, 17 and 24 certain procedures would be followed.

We have already run into one difficulty with respect to the meeting of June 3. As you know, traditionally the Standing Committee on Transport and Communications meets on Thursday mornings, and on that particular morning they have the Ottawa Terminal Railway bill for consideration. It is expected to be quite a long and a rather important meeting. Consequently, both Senator Hugessen and I would like to avoid a conflict between our two committee meetings on that day. There is the possibility that the Standing Committee on Banking and Commerce may not sit next Wednesday, or that if it does its



agenda might be short. Consequently, if we can arrange it, we will sit on the Wednesday instead of the Thursday, but I think you will have to leave it in the hands of myself and others to settle that by next Tuesday night.

At that meeting it is contemplated that we will have one or more representatives of the Department of Northern Affairs before us, and that we shall go into the estimates of that department.

Similarly, on successive Thursdays we shall hear from the Department of External Affairs on June 10, the Department of Public Printing and Stationery on June 17 and the Department of Transport on June 24. Then, for consideration on later dates will be the expenditures upon scientific research in various departments.

In the letter of May 1, following the discussion of the Steering Committee, I suggested that members be prepared with questions not only as to the particular departments we are specifically studying on the dates I have mentioned, but as to the estimates of other departments. If we have those questions ahead of time, then at each one of these meetings, in addition to the specific department with which we will be dealing, any other department could have representatives before us to deal with the specific questions. There might be a half a dozen other departments represented at the meetings, and this will ensure that while we are studying a specific department we are not overlooking the general picture. However, it is desirable that I know what those questions are going to be ahead of time so that arrangements can be made for the appropriate officers to appear.

The reason these particular departments have been picked is that senators have already indicated to me they want to ask questions with respect to them. One senator has given me eighteen questions relating to the estimates of the Department of Northern Affairs. I shall forward them to that department, and when it appears before us the answers will be available. This does not mean that the representatives of that department cannot be asked other questions, but in this way we shall at least have a more orderly, and, I think, more informative basis upon which to proceed.

The other suggestion made in the letter is that senators might wish to take some particular department of Government under their own special scrutiny, perhaps because it is one they are interested in. I think that would be helpful, for otherwise all of us will be trying to cover the whole waterfront, as it were, and looking here and there at the general picture. If there is something in particular that a senator wants to inquire about in the Department of Defence Production, for instance, it would be helpful if he indicates it to me and then take that matter under his special care.

That is all that was set out in the letter, and that is the program the Steering Committee felt we should embark upon. Are there any questions or suggestions?

Senator PHILLIPS: Mr. Chairman, along the line of having a senator examine a particular department, I wonder if we could have someone here from Expo '67.

The CHAIRMAN: That sounds like a good suggestion. We are all interested in Expo '67. I believe that involves the Department of the Secretary of State.

Dr. George Davidson, Secretary of the Treasury Board: It comes under the Department of Trade and Commerce.

The CHAIRMAN: Would we be right in asking somebody from the Department of Trade and Commerce to come before us and perhaps bring somebody from Expo '67?

Dr. DAVIDSON: I would think the deputy minister and someone of his choice from Expo '67 could attend.



Senator POULIOT: May I ask a question, Mr. Chairman?

The CHAIRMAN: Does it have to do with Dr. Phillips' question? I should like to settle that point first. What does the committee feel about this suggestion of calling the Department of Trade and Commerce with respect to Expo '67?

Hon. SENATORS: Agreed.

Senator SMITH (*Queens-Shelburne*): Mr. Chairman, with respect to this point are we not proceeding on the general basis that members of the committee, or any member of the Senate, who has a particular question with respect to a particular department can have the advantage of having somebody from that department appear to answer his particular inquiry? I am thinking in terms of your asking the committee if they approve such a procedure. I would think that that approval would be almost automatic.

The CHAIRMAN: Yes. I am glad you have brought that up. That is right. The only point I had in mind was that perhaps there might be some priorities.

Senator SMITH (*Queens-Shelburne*): I raise the point only to emphasize in the minds of the members that they have that privilege.

The CHAIRMAN: That is right. Any member who wishes to have an item in the estimates examined has the right to ask for the appropriate witness to appear to answer his question.

Senator BOUFFARD: Will the questioning be limited to the current year?

The CHAIRMAN: If one were to rule very strictly then the ruling would be that we are considering the estimates of the present year, but that gives us a pretty wide scope and would allow us to talk about Expo '67 generally in so far as the federal estimates are concerned. Are there any other comments or suggestions? Senator Pouliot?

Senator POULIOT: Mr. Chairman, I think you have followed a wise course, and you have outlined a good program that will assist the members of the Senate to understand the machinery of government.

Now, Dr. Davidson, do you remember that last year I asked you for a chart showing the organization of the Treasury Board?

Dr. DAVIDSON: Yes, sir.

Senator POULIOT: Did you table it?

The CHAIRMAN: Yes, it is an appendix to the proceedings of October 27.

Senator POULIOT: Yes, I have it here.

Dr. DAVIDSON: No, that is with respect to the office of the Comptroller of the Treasury. The chart Senator Pouliot is referring to is an appendix to the proceedings of October 20.

The CHAIRMAN: Yes. I apologize.

Dr. DAVIDSON: It is at page 190.

The CHAIRMAN: Yes.

Senator POULIOT: I have another chart, which is self-explanatory, and it is in the Government telephone book. It is quite similar to that. Mr. Chairman, I have asked for two supplementary copies so that you can follow me. This is a book that everyone has. If you will permit me I will ask you to give some information about each unit so that we know how it works. At the present time the chart is very bare, and it does not mention salaries and names. Only the names of the branches are there. We would like to know how much the civil servants are paid, and what they are doing. I find that the chart is rather a puzzle, but it is fascinating in the same way that puzzles

are. I understand that the honourable Mr. McIlraith is the minister in charge. Has he colleagues of the cabinet who sit with him on the board, or is he alone?

Dr. DAVIDSON: The Treasury Board, Mr. Chairman, is made up of the Minister of Finance who is, by statute, chairman of the board, and five additional ministerial colleagues.

Senator POULIOT: I think I read in the press that Mr. McIlraith was the minister in charge of the Treasury Board?

Dr. DAVIDSON: He is the vice-chairman of the board, and is designated to be the President of the Treasury Board if the Government's legislation to create that post is passed by Parliament.

Senator POULIOT: Can he make decisions by himself?

Dr. DAVIDSON: No decision can be made by the Chairman of the Treasury Board acting alone. All decisions made by the board are made by the board acting as a committee of the Queen's Privy Council.

Senator POULIOT: What is the number of votes required to make a decision? How many ministers should sit together to make a decision?

Dr. DAVIDSON: There is no statutory provision, Senator Pouliot, governing this. The only thing that I can say to you is that decisions of the Treasury Board are made in the same way that decisions of the Cabinet are made, by a sort of osmosis of judgment and decision. There develops a consensus. The group of ministers agree to make a decision, that is, a decision of the Treasury Board. But there is no formal voting or balloting on the part of individual ministers who may be present at a given meeting.

Now, on the second point: How many ministers does it take? There is nothing that governs this. The board, as a board, consists of the Minister of Finance, as I mentioned, who is designated by the law as chairman of the board, and five additional ministers. Each of those ministers has an alternate, who is named as an alternate member of the Treasury Board, who may sit in his place if the minister is not there.

Senator POULIOT: In the case of an order in council, five members are required to agree together; you know that.

Dr. DAVIDSON: That is the Governor in Council.

Senator POULIOT: Yes, order in council. On your board the consent of two is enough?

Dr. DAVIDSON: The practice, and there is nothing to govern this practice so far as a statutory rule or regulation is concerned, is to regard the presence of two ministers and a chairman as being a quorum.

Senator POULIOT: Or the acting chairman?

Dr. DAVIDSON: Or the acting chairman. Any three ministers, in fact, in practice constitute a meeting of the Treasury Board; but there is nothing in the law, the Financial Administration Act, or any of the statutory regulations of which I am aware, that formally recognizes that as the minimum requirement or that as the legal qualification for a decision to be taken.

Senator POULIOT: The assistant secretaries of the Treasury Board are three in number. Do they have specific duties?

Dr. DAVIDSON: Yes, sir.

Senator POULIOT: Are they there to fulfil similar duties, or do they have some branches of Government that are assigned to them?

Dr. DAVIDSON: If you will look at the chart on page 190, Senator Pouliot, you will find the three assistant secretaries duties described under the headings, "Personnel Policy," "Program Analysis," and "Administrative Improvement."



These three areas represent the three main phases of the Treasury Board's activity, and they represent the kinds of submissions and proposals that come normally from departments which wish to have authority from Treasury Board for one or other of their activity programs; that is to say, any matter relating to personnel policy affecting the personnel of an individual department, affecting the staff of the minister's office, affecting the working conditions, or the terms and conditions of employment, of prevailing rates employees or ships officers or crews, or any group of Government employees in any part of the Government, that requires specific approval of the Treasury Board.

Senator POULIOT: What is the position of Mr. Watters?

Dr. DAVIDSON: Mr. Watters is in charge of the personnel policy matters. These are civil servants.

Senator POULIOT: Does he look after those who work in crown companies?

Dr. DAVIDSON: No, sir.

Senator POULIOT: They are outside?

Dr. DAVIDSON: Crown companies—certainly the really independent crown companies are quite separate.

Senator POULIOT: What about Mr. Mackenzie?

Dr. DAVIDSON: Mr. Mackenzie is the assistant secretary in charge of program analysis. All proposals that relate to substantive programs of departments come to Mr. Mackenzie. He makes, through the staff, an analysis of what the proposals are, on which he will present a report, on the department's request, to the ministers sitting as members of the board, and the ministers make a decision based upon the information that is provided by the department in its departmental submission, and on the interpretation of that information that is provided by the assistant secretary.

Senator POULIOT: What are the qualifications of Mr. Mackenzie?

Dr. DAVIDSON: Mr. Mackenzie is a professional civil servant; he has been a professional civil servant throughout his career.

Senator POULIOT: Has he a civil engineering degree?

Dr. DAVIDSON: No; he has a university degree, though.

Senator POULIOT: The B.A. degree?

Dr. DAVIDSON: I shall have to check that, but I am satisfied he has, and possibly an M.A. as well.

Senator POULIOT: Is he a construction engineer?

Dr. DAVIDSON: He does not profess to be a construction engineer.

Senator POULIOT: He is not an architect?

Dr. DAVIDSON: No.

Senator POULIOT: He is a gentleman who has been to college or university and has obtained a B.A.?

Dr. DAVIDSON: That is correct.

Senator POULIOT: Now with regard to Mr. Watters, what are his qualifications?

Dr. DAVIDSON: He is, first of all, a university graduate. He has been in the Civil Service since the 1930's. He has served with the Department of National Revenue, with the Civil Service Commission, with the Treasury Board, and with the Privy Council office; and he was at one time, I might add, from 1957 to 1960, the Secretary of the Treasury Board.

Senator POULIOT: What was his degree at university?

Dr. DAVIDSON: Bachelor of Arts degree.

Senator POULIOT: Now there is Mr. Davis. What is he in charge of?

Dr. DAVIDSON: He is in charge of administrative improvements, and of all contract administration so far as contracts coming to the Treasury Board are concerned.

Senator POULIOT: What is his profession?

Dr. DAVIDSON: A professional engineer, you will be glad to know.

Senator POULIOT: So out of the three, he is the only professional man?

Dr. DAVIDSON: I would not agree that is a correct statement. A person who attends a university and graduates from university is not self taught, he is an academically qualified university graduate. He does not happen to be an engineer, but he is just as academically well prepared for the work of the Treasury Board as is an engineer.

I think I should just explain, Senator Pouliot, that it is not the job of the Treasury Board staff in connection with a construction project to pass judgment on the engineering requirement. That is not within the competence of the Treasury Board. If we were to have on our staff professional engineers who sat in judgment on the judgments of the professional engineers who work in the Public Works Department, this would in fact be outright duplication.

The task of the secretariat of the Treasury Board is to ensure that a proposal which comes forward from the Public Works Department in respect of an engineering program is in fact contained within the broad policies of the Government with respect to construction planning for that year, that this is in fact a project which was included in the estimates of the Department of Public Works that were presented at the beginning of the fiscal year, that there are funds available within the estimates to cover this project, or that portion of the project planned to be undertaken for this year, and that the project as proposed comes within the broad limits of Government policy affecting the particular construction area concerned.

Let me illustrate, if I may. The Government has certain policies, which are sometimes difficult to determine precisely, in the field of ferry dock construction or ferry boat construction, or the construction of airports, or in the construction of bridges.

Senator POULIOT: Or buildings?

Dr. DAVIDSON: Or buildings; and if the proposal comes forward from a department such as the Department of Public Works, or some other department, that relates to the provision of financial assistance, let us say, towards the construction of one of these structures, or it proposes as a federal initiative the construction of one of these items that I have referred to, it is the task of the Treasury Board secretariat, not to examine the design of this vessel or the construction plans of the buildings proposed, but to determine whether or not this comes within the established policy of the federal Government.

For the last two years we have had a program of winter works for the construction of post offices that are designed to assist in the reduction of winter time unemployment. When proposals come in for the construction, it is the task of the Treasury Board staff to ensure that these proposals all come within the scope of the Government policy with respect to the construction of post offices, that they do not exceed in size the size of a post office that is envisaged as being a proper part of this program and that the total funds that Parliament has appropriated for this particular program are adequate to cover the number of construction projects that are proposed.

Senator POULIOT: To complete this part, Mr. Davidson, I presume you know, probably, that judgments of courts are reviewed by judges, not by laymen,



although the laymen have the right to criticize them. Now, there are four different divisions in the Roman figures, about program analyses. What is the distinction between each one of those divisions?

Dr. DAVIDSON: Senator Pouliot, each one of those divisions consists of a grouping of the Government departments and agencies for which the program officers in that division are responsible. If you will refer to the evidence I gave a year ago—I will find the page in a moment—you will find that I gave you an illustration.

Senator POULIOT: If it is on the record, just mention the page. It will save time.

Dr. DAVIDSON: I will have to find the page and mention it to you later.

The CHAIRMAN: May we take it that it is on record and we will find the page and put it on record.

Senator POULIOT: I do not want to take too much time, but I want to be informed on that.

Dr. DAVIDSON: It is on the record, Senator Pouliot, because I can recall clearly that I gave an illustration at one of last year's meetings of the committee, of what this chart indicated in the way of Treasury Board secretariat organization. One of the things that I used by way of illustration was this precise point, the number and the types of department that were assigned to an individual program analysis division.

The CHAIRMAN: I think it is page 157.

Dr. DAVIDSON: Yes, sir, if you would look at page 157.

The CHAIRMAN: And 158.

Dr. DAVIDSON: You will be given, in respect of Program Analysis Division No. 1, all of the departments and agencies of the Government that are assigned for examination to the officers in that division.

Senator POULIOT: Thank you very much. I shall turn to page 157. There is one thing that you have not said in page 157, what is or what are the qualifications of each one of the four directors for program analysing? Are they professional men or are they self-taught men?

Dr. DAVIDSON: I must confess I do not understand the distinction between professional men and self-taught men. These are men who are regarded by responsible officers of the Treasury Board as being qualified and competent to deal with the kind of problems that are presented in the work of the Treasury Board.

Senator POULIOT: We hear so much about education, that I would like to know if they are specialists, or just men with ordinary training, who know the work in question.

Dr. DAVIDSON: I can provide, if you like, the academic qualifications of each of the four officers in charge.

Senator POULIOT: I want to know, Dr. Davidson, owing to the fact that the Treasury Board passes judgment on each one of the proposals of the Government—which is true, is it not?

Dr. DAVIDSON: That is correct.

Senator POULIOT: I would like to know what the qualifications are of those who make reports to the Treasury Board ministers.

Dr. DAVIDSON: Quite.

Senator POULIOT: If one of the Government cabinet ministers who is at the head of the Treasury Board is the Minister of National Revenue, for

instance, to mention an example, what could he decide about customs collection? He is not a specialist in such matters; neither are any of the ministers specialists outside their departments. You will agree with that.

Dr. DAVIDSON: Yes, that is right.

Senator POULIOT: Then there is this. The cabinet ministers often have to rely on men who are self-taught, men who have been there and who have done their best to follow the routine and make the same reports. What are their qualifications, for instance, to say that such a place is a suitable location for some building or wharf or something like that? Are they qualified by reason of the fact they have been there for a number of years, that they have been honest and have made the same routine reports all the time?

Dr. DAVIDSON: I think I should say, Mr. Chairman, that a decision as to whether a given building should be located in a given place or not is a decision that is made by the responsible department. The decision that has to be examined by the Treasury Board staff and on which the ministers have to make a decision, is usually whether it forms a part of the program of the department concerned; whether there is financial provision for it in the estimates; or whether it requires to have financial provision made for it in a future supplementary estimate; and whether on the basis of that, the ministers sitting there are prepared to authorize this as part of the program. But the taking of decisions, as to the nature of the building, the size of the building, the location of the building, whether it be built in this particular centre or some other centre, are not matters on which the staff of the Treasury Board are usually called on to make recommendations to ministers.

Senator POULIOT: But supposing that they say no, in the case of a salary or something like that? They might report in the negative to the cabinet ministers in charge—might they not?

Dr. DAVIDSON: Oh yes, they can advise in the negative.

Senator POULIOT: Therefore, it is not by professional men that the advice is given which is followed by the cabinet ministers. The ministers have not the time to go deeply into the matter, to ascertain whether it is well founded or not.

Senator SMITH (*Queens-Shelburne*): Just on that point, I should like to ask a question, before Senator Pouliot goes on to the next one.

Senator POULIOT: Go on. Excuse me.

Senator SMITH (*Queens-Shelburne*): I was thinking about the examples which Senator Pouliot gave in regard to the powers of the Treasury Board to say "No" as to the building of a wharf for fishermen or something of that kind. In what circumstances would employees of the Treasury Board take it on themselves to tell the Minister of Public Works that his proposal to build a wharf for fishermen, to use that example, is not a thing which should be done and therefore they recommend to the Treasury Board itself that this ought to be wiped off the list of projects that the Minister of Public Works brings forward?

Dr. DAVIDSON: Mr. Chairman, could I draw the committee's attention to the fact that in the printed estimates as approved by Parliament there is listed in detail, by name, the projects which are included in the program that the Government proposes at the time the estimates are presented to Parliament, and that Parliament is asked to approve, and that Parliament does approve.

The Vote I have in front of me, for example—and I took it at random from the book—is to be found at page 397 of the Estimates for this year. It is Vote 30:

Construction, acquisition, major repairs and improvements of, and plans and sites for, harbour and river works (including expenditures on



works on other than federal property); provided that no contract may be entered into for new construction with an estimated total cost of \$50,000 or more unless the project is individually listed in the Details of Estimates.

Then there are listed the precise projects that it is the Government's intention to proceed with and that Parliament is asked to provide money for, subject to the stipulation that, while projects less than \$50,000 that are not listed here may be proceeded with, no other project may be proceeded with unless it is included in the estimates.

With that as a background, and with Parliament having approved the appropriation as listed here, let us suppose that a department comes forward with a proposal to construct a dock or harbour or improve a wharf, at a cost of \$75,000. In those circumstances it is the Treasury Board's duty to make an examination of the proposal to determine whether it comes within the announced and approved program, either of the Government or of Parliament, and to indicate to the ministers that this particular wharf construction, at, let us say, Davis Cove, conforms with the announced policy of the Government, and that it is or is not within the amount of money provided in the estimates. If you have, for example, in Davis Cove, or wherever it may be, a construction project estimated to cost \$65,000, and the detailed proposal of the Public Works Department comes in and shows it is going to cost \$175,000, the ministers of the Treasury Board then have to make a decision as to whether they are going to allow this project to proceed, with its greatly inflated costs over the original estimate; if it is going to let it proceed, whether it is going to find the money at the expense of other projects in the estimates, or whether it is going to submit later a supplementary estimate to Parliament to request supplementary money to meet the full cost of this particular project. I give this illustration to indicate the kind of circumstances under which ministers, sitting as the Treasury Board, have to make decisions with regard to program items that appear in some detail in the estimates and where the program plans as ultimately submitted by a department may not correspond to those presented at the time the estimates were prepared.

Senator SMITH (*Queens-Shelburne*): But it seems to me that the Treasury Board officials who make representations never make submissions as to whether these things are needed or not, or whether, for example in an engineering project, the engineering is sound. They only have to do with the financial approval.

Dr. DAVIDSON: It is not their primary responsibility to make judgments as to whether something is needed or not, but they always offer advice to the ministers as to whether the project as presented comes within the policy that the Government has announced it is professing to carry out.

Senator SMITH (*Queens-Shelburne*): Apart from that the Treasury Board does not interfere with the recommendations of, for example, the Department of Public Works with regard to building and park improvement, except on this policy basis?

Dr. DAVIDSON: That is right.

The CHAIRMAN: When the item is first presented as an estimate for future expenditure, say in October or November of the year before the year covered by the estimates, what scrutiny takes place at that time with respect to, say, Davis Cove, before it ever gets in the estimates?

Dr. DAVIDSON: The practice at the time of estimates preparation would not be for the Treasury Board staff to go through each of these items and try to come to a conclusion as to whether this breakwater needs to be repaired or whether this wharf needs to be reconstructed, or anything of that sort. We

ask the Department of Public Works to draw up a list of the projects on which it is proposing to embark. We will look at the overall dimensions of that. We will report to the ministers that if the expenditure targets are to be lived within there will have to be a reduction in the gross amount of that particular estimate from a total of, say, \$4,285,000 to something like \$3½ million. We will make an estimation as to the financial magnitude of expenditure the ministers should consider as being tolerable for this particular department of vote.

Having done that, the ministers will come to some conclusion, after discussion with the minister of the department, as to what amount of money they as a group of ministers representing the Government are prepared to allocate for this construction. This is approved and included in the estimates subject to the right of the departmental minister to take the question to the full cabinet and ask his colleagues sitting in cabinet to overrule Treasury Board.

Senator POULIOT: No approval goes from Treasury Board unless it has been approved by the cabinet.

Dr. DAVIDSON: That is right.

Senator POULIOT: When Treasury Board makes an adverse recommendation, is the minister concerned notified of it before he comes before the board?

Dr. DAVIDSON: You mean when the staff—

Senator POULIOT: What I mean is that you report to the board which is composed of ministers, and when I speak of Treasury Board I speak of a group of ministers to whom the report is made when you make a decision. The point I am making is that when an adverse recommendation is made by the officials of the Treasury Board, the Treasury Board itself is a group of ministers who made the recommendation, and I want to know if the individual minister is notified.

Dr. DAVIDSON: If the matter is large enough and important enough he is notified. If it is something relatively minor, he may not be notified.

Senator POULIOT: I see that in the Program Analysis Division there are nine people with telephones, and when the name of a civil servant is mentioned with a special telephone number that means he belongs to a certain aristocracy in a department, because there is a telephone number in his own name. I see in the Program Analysis Division there are nine names followed by telephone numbers. Is that the whole staff of the Program Analysis Division or are there more civil servants in that branch?

Dr. DAVIDSON: If you look at the chart you will see a number in brackets, and that shows that as of October 1, 1964, there was a total authorized establishment of 10 officers and supporting staff in Program Analysis Division I. You see the bracketed number there.

Senator POULIOT: There is Division A, B and C.

Dr. DAVIDSON: I am afraid you have the wrong chart. It is page 190.

Senator POULIOT: Thank you. I see that now.

The CHAIRMAN: Senator Pouliot, we have been going nearly an hour—

Senator POULIOT: I am satisfied and I thank you, Dr. Davidson, and I have other questions to ask.

The CHAIRMAN: We will have him back again and there will be other opportunities.

Dr. DAVIDSON: Could I just make one final reference to the question which I think was coming up from Senator Pouliot in his series of questions. He was asking as to why these people have telephones, and I should say with reference to that that each of these officers has a group of departments to deal with.



Senator POULIOT: I do not object to it at all. What I wanted to know—and I want to make myself clear on this—is why a certain number of employees in the branch have a telephone—and in this case there are nine—and I would like to know what is the total number of staff in that branch.

Dr. DAVIDSON: You will see the total number of that branch as of October last is ten.

Senator POULIOT: There is one who has no telephone.

Dr. DAVIDSON: I would have to check that.

Senator POULIOT: If we start to analyze it—I am in great sympathy with you, Dr. Davidson, because this must be an impossible task. I would like to help you.

Dr. DAVIDSON: Could you let me have the telephone book for a moment, please. This is as of last June and in Program Analysis Division I, may I point out that the Director is Mr. J. E. Charette, and his number is 2-3634, and he has a secretary, Miss L. Williams, and her number is also 2-3634.

Senator POULIOT: But the others have different numbers. I want to know what is the number on the staff. I would like to ask you what is meant by "Personnel Policy", leading to "Terms and Conditions of Employment". I find the telephone book is easier to understand than the chart in that respect.

Dr. DAVIDSON: You will see the same here. The first is the section dealing with "Pay and Classification", the second deals with "Terms and Conditions of Employment", and the third deals with "Manpower Policy".

Senator POULIOT: Another question: Can you tell me what is "Exempt Employment"?

Dr. DAVIDSON: It consists of those persons in the Government employ who are not governed by the provisions of the Civil Service Act. For example, school teachers in Indian schools, locally engaged employees overseas, exempt ministerial staff—these are examples of exempt employment.

Senator POULIOT: Crown companies should be included in that.

Dr. DAVIDSON: They are entirely outside the scope of Treasury Board.

Senator POULIOT: If the Treasury Board is a good thing, the Crown companies should be dealt with in the same manner as the rest of the civil service.

Dr. DAVIDSON: That is a matter on which Parliament has decided otherwise.

Senator POULIOT: Then there is "Personnel Policy—General". What is that?

Dr. DAVIDSON: "Personal Policy—General" deals with miscellaneous questions arising through the "Personnel Policy Division" which are not covered specifically under the "Pay and Classification Division" nor "Terms and Conditions of Employment".

Senator POULIOT: But you told us one of the divisions of the Program Analysis concerns personnel.

Dr. DAVIDSON: No, senator. There must be some misunderstanding. I said one of the three main branches of Treasury Board related to personnel policy, but the Personnel Policy Branch is separate and distinct from the Programs Analysis Branch.

The CHAIRMAN: Senator Pouliot, I think perhaps we would make more progress if—

Senator POULIOT: I will give a chance to my colleagues, who have been very generous. We have worked together to try and understand something of the business. I am satisfied, Mr. Chairman, and I thank you very much. Some other day we can again consider it.

The CHAIRMAN: It is a matter of organizing our time, and there are some other things to be dealt with.

Senator POULIOT: I am not so greedy as to take the whole time to myself, but the questions I have been asking were to inform everybody about Treasury Board itself. I thank you, Dr. Davidson, too; and I find your task is almost as meritorious as it is difficult.

The CHAIRMAN: Thank you, Senator Pouliot. I think we might ask Dr. Davidson if he would pick up from our report of last year, and tell us what has been happening since our report with respect to the various recommendations, particularly dealing with the compilation of the Estimates now before us, compared with a year ago, before those recommendations were made.

Dr. DAVIDSON: Mr. Chairman, in a way I am rather sorry that we are now moving from Senator Pouliot's line of questioning to the exposition I have to give you, because in literal truth the amount of additional information I have to give you is not all that extensive.

I would remind you that it was just a year ago, almost to the day, that I met this committee for the first time, in May of 1964. I appeared before the committee over a period of months last year, my final appearance before the committee being on October 20 of last year. Thus it is just seven months since we had the last meeting at which I was present, and so far as the matters we were discussing then are concerned, I have a number of items of progress to report to you, but by the very nature of the matters we were dealing with, the forms and nature of Government organization and reorganization, things just do not move that fast. Therefore, I will content myself, if I may, with giving you a few highlights of the changes that have taken place, and leave it to the period of questioning to draw out any supplementary information you may wish to have.

We spent most of our time last year in discussing the recommendations of the Glassco Commission and the recommendations which had come from the Commons committee on Public Accounts arising out of their earlier consideration of these recommendations; and I was able to report to you last year that so far as the Glassco Report generally was concerned there had been, up to the time we discussed this matter, something of the order of 75 recommendations of the commission which had been approved and announced as approved by the Government.

Since we last met there has been a further list of recommendations tabled by the Government as approved and ready for implementation; and I would like to touch on two or three of the more important ones that are contained in this supplementary list of recommendations.

Before I do, I would merely sum up by pointing out that we now have an even 100 formal recommendations of the Glassco Commission which the Government has indicated its approval of and its intention to implement; and we have another list of about 25 recommendations, which we are working on at the present time, which we would hope to bring to the attention of the ministers in a few weeks in the hope that these too will be formally approved and accepted as part of the Government's total program.

Senator BURCHILL: Out of a total of how many?

Dr. DAVIDSON: Out of a total, Senator Burchill, of something between 290 and 300 formal recommendations of the Glassco Commission.

There are, in addition to this number I have referred to, a great many passing observations of the Glassco Commission in the text of its reports which it is difficult to classify as formal recommendations but which, when you read them, have the effect of being fairly important proposals and suggestions. But of the formally listed recommendations numbering between



290 and 300, we are now in the vicinity of 100 to 125 as having been formally approved. Some of them are in modified form, but are officially approved and accepted as part and parcel of Government policy.

One of the most significant of these that has been approved since I last met with the committee was the recommendation having to do with the creation of a scientific secretariat. You may recall that one of the reports of the Glassco Commission has to do with the scientific services in the Government, and the commissioners assembled, as their task force to make an analysis of these scientific and research services, a group of very distinguished scientists from private industry, from universities, and also, in some cases, assisted by some of our senior scientific officers in the various branches and agencies of the Government service. The commission recognized that the scientific operations of the agencies and departments of Government which deal with scientific research matters are maintained at a very high level. However, the commission was concerned with the kind of channels of communication that should be developed between the scientific agencies and the ministers who make up the government of the country at any given time.

They were also concerned with the question of priorities and the kind of advice that government requires if it is going to make intelligent decisions as to where the priorities of emphasis and expenditure lie in the scientific field, how much support should be given to these agencies, and matters of this kind.

It was one of the findings of the Glassco Commission that there was a need for a director of scientific services or a senior scientific advisor to government for the purpose of giving the Government an over-all view as to what it was proper for the Government to be doing in the scientific field and how priorities should be established as between the different sectors of scientific effort. There may be substantial scientific activity going on in the field of Mines and Technical Surveys; that has a special research component. The Department of Agriculture has probably the largest single scientific research component in the entire Government of Canada. The National Research Council, Atomic Energy of Canada Limited, the Defence Research Board, the Department of National Health and Welfare—all of these agencies and departments have substantial scientific research programs. Each one of them is putting forward its case as urgently and strongly as it can for increasing amounts of financial support from Government and Parliament.

How does the Government make judgments as to priorities, as to where the balance should lie as between a greater amount of money being spent in the field of pure physics, for example, or in medical research or the support of agricultural research, or greater emphasis on the earth sciences as they fall into the framework of the program of the Department of Mines and Technical Surveys?

I do not need to tell you—on the basis of the questioning Senator Pouliot was recently pursuing—that we in the Treasury Board who are supposed to be advising ministers as to the allocation of Government expenditures over all do not profess to have the highly professional scientific skills in our own staff that will enable us to advise ministers on matters of priority in the scientific research field.

Consequently, the Government on the recommendation of the Glassco Commission has established a scientific secretariat in the Privy Council office headed by a distinguished scientist from the province of British Columbia, Dr. Frank Forward, the former head of the Geology Department of the University of that province. He is in the process of assembling a group of scientific leaders around him such as Dr. Whitehead, formerly with R.C.A. Victor in Montreal, Dr. Weir, formerly the Dean of Agriculture in the University of Manitoba, and Dr. Dugal, a former Dean of Science at the University of Ottawa.

You see here the development of a scientific secretariat which it is hoped will be able to give to the Government of Canada the kind of advice that the Government will need to have if it is going to allocate time, funds and effort to the pursuit of scientific research through a wide variety of channels within the framework of government, and in that way keep abreast of scientific progress in other parts of the world.

We have seen this pattern develop in the U.K., the U.S.A. and France, and we believe that something of this kind is required within the framework of government in Canada, and that it will bridge the gap between the requirements as they are put forward by the scientific agencies and the decisions which the Government, as a group of political leaders, has to make on these questions.

Senator BURCHILL: This follows the line of thought in C.P. Snow's books, and his criticism that the government of the United Kingdom was not keeping up with scientific research?

Dr. DAVIDSON: It is very much along that line, Senator Burchill, the difference being that in the United Kingdom they have committed themselves to a full-fledged department—a ministry of science and technology. It was felt here that what was needed is not a big new department of Government as such but rather some sort of an advisory service to the ministers; some sort of clearing house through which all of the programs being operated in the various agencies and departments of the Government can be seen from one co-ordinated point of view. It is this kind of advice, rather than having a new operating department, that the Government hopes to gain from the newly-created scientific secretariat.

The CHAIRMAN: And Mr. C. P. Snow is now back in the Government in that department.

Senator BURCHILL: Yes.

Senator SMITH (*Queens-Shelburne*): Is it anticipated that this scientific secretariat will have anything to do with the proposed science council?

Dr. DAVIDSON: Yes, sir, I should have mentioned that arising out of the decision to create this scientific secretariat as part of the Privy Council office certain consequential changes are necessary in the Research Council Act.

I do not know whether senators have examined the Research Council Act recently, but it is a piece of legislation that has been on the statute books for a great many years. You will find that it provides not only that the National Research Council shall operate scientific laboratories—and this is what it is best known for—and other programs, but it shall also serve as the honorary scientific advisory council to the Government on all matters of scientific and industrial research. It is this function which the decision to establish a scientific secretariat is going to transfer from the National Research Council to this scientific secretariat.

The reason for this stems from the way scientific research agencies have developed over the years since the Research Council Act was first passed. It is now more difficult, to say the least, for the National Research Council to wear these two hats at the same time. On the one hand it operates a program of scientific activity under its own auspices for which it needs money—and increasing sums of money—from the Government, and it is responsible for the development of scholarship and fellowship programs. On the other hand, it must judge whether its financial requirements are more or less urgent than the financial requirements of other scientific research agencies with which it is “competing”—and I put that word in quotation marks—for a limited number of Government dollars.



Therefore, it is felt—and this view is reflected in the decision of the Government—that this function of serving as the honorary scientific advisory group of the Government in terms of overall scientific policy should be vested in a group of scientific officers who are attached to the Privy Council and have no operating responsibility. One of its principal roles will be to provide the Government with competent advice as to the relative priorities of need as between science, agriculture, atomic energy, the pure science fields, and so on.

Senator AIRD: Mr. Chairman, I am not interested in the function of the secretariat as such so much as I am in how large it is contemplated to be, and whether it will make its recommendations upon a dollar priority or a national priority. Is it a full-time advisory group? How does it work?

Dr. DAVIDSON: Senator Aird, I think I should explain that it is just in the process of emerging and, therefore, until we really see it in action more than we have seen it up to the present time we cannot really give you any definitive answer to that question. I can tell you, however, what is contemplated.

It is intended to be a very small unit of the Privy Council office. Its total establishment is envisaged as being something of the order of 15, including both scientific officers and supporting staff—that is, clerical and office staff. It is not to have any operating responsibilities. It is to be related to the science council which was just referred to, and which is the subject of legislation that is now in the process of being presented to Parliament. I do not know whether the science council legislation, the bill—

The CHAIRMAN: The resolution is on the Order Paper.

Dr. DAVIDSON: I think that when this legislation is approved by Parliament one will see the framework, but what is contemplated is an advisory council which will meet periodically and which will be served by the full-time employed members of the scientific secretariat to whom I have been making reference. The scientific secretariat, in addition to serving as the secretariat to the science council, will also serve as the advisory body to the Privy Council committee on scientific research of which Mr. Drury is the chairman, and which will exist for the purpose of giving to the Government advice upon relative priorities of need stated in terms of program priorities as between the different agencies and departments of Government that are engaged in scientific research activity.

Senator BOUFFARD: Dr. Davidson, may I ask if this secretariat will take into account the research that is being made by other companies? I am not thinking of agencies of Government, but companies like Dupont and C.I.L.

Dr. DAVIDSON: I am glad you raised that question because I think you will find that the bill that provides for the creation of the science council also provides that it will be made up of a balanced group of representatives of the field of science including industrial research, scientific research and the universities.

Senator BOUFFARD: So there will not be double work?

Dr. DAVIDSON: There will be representation there from the scientific field as it now exists on the industrial side, from the university scientific field, as well as from other areas which are representative of scientific endeavour.

Senator SMITH (*Queens-Shelburne*): This subject seems such a large one, Mr. Chairman, that I am wondering whether we should give consideration to having one session of the committee devoted to it. I have the feeling that Dr. Davidson is just starting to outline one of the major recommendations of the Glassco Commission that is being put into effect.

The CHAIRMAN: Yes. You will notice that the letter that was sent out, after specifying certain departments, mentions that there will be consideration

of expenditures upon scientific research in various departments. It is quite in order to bring that matter on ahead of the time that was set out in the letter. It is just a question of being ready to go ahead with it in case one of the departments is not prepared to appear on some particular day. Is it in order, senator, that we keep this on our agenda?

Senator O'LEARY (*Antigonish-Guysborough*): Mr. Chairman, I am wondering how far Dr. Davidson had gone in his statement before the question was raised. Has he much more to tell us?

Dr. DAVIDSON: I had not intended to go this far into the matter of the scientific secretariat, but the questions drew me into it. I had intended to give merely three or four examples, and I shall try to run through a couple more to indicate to you some of the important areas relating to the Glassco recommendations with respect to which action has been taken or authorized since we last met.

The second one of these has to do with the decision to create the Canadian Government Supply Service in the Department of Defence Production. You will remember that at the last series of meetings we had some considerable discussion about common procurement agencies, and the pooling of the Government's procurement facilities, as contrasted with the previous arrangement under which every department had its own division of purchasing and supply. This has gone forward. The Government has approved the creation of a common procurement agency—let us call it that—and there has been established in the Department of Defence Production what is known as the Canadian Government Supply Service. This is in process of formation, and its function will be to act as the common procurement agency for all the departments and agencies of the federal Government. This does not mean they will be buying every single pencil, or every individual small item, but that there will be a central responsibility for developing the procurement policies and procedures, that there will be a substantial amount of common procurement. They will also develop the ways and means by which the—what you might call the day to day procurement of the scattered offices across the country—can be made into a system of local purchasing on a co-ordinated basis, consistent with the central procurement agency policy.

Senator HAYDEN: Does that mean that the various departments which need supplies will, under a requisition or declaration, give an estimate of their requirements for submission to the central agency?

Dr. DAVIDSON: Each of the departments will continue to have the funds provided in their estimates, because they will be expected to be responsible for and accountable for them. However, instead of every agency ordering its more limited requirements—what you might call "common use" items—they will requisition for their common use items on the central supply agency, and it will be the responsibility of the central supply agency to pool the requirements of various departments or agencies.

Senator HAYDEN: Will there be an advantage there in bulk buying these items?

Dr. DAVIDSON: This is very much what we hope; and we have also had some indications that in the arrangements which have been made for the procurement of automobiles, for example, there are substantial savings available to the Government in bulk purchasing, not only in the pricing area, but also in the staffing requirements in order to staff a central or common procurement agency.



At the present time you will appreciate that almost every department of government has a number of employees on its staff whose duties consist of procurement.

Senator HAYDEN: It might be that with a little more standardization of the materials required you could even get greater advantages on bulk purchases.

Dr. DAVIDSON: Well, there has been transferred from the National Research Council to the Department of Defence Production, or Department of Industry—I have just forgotten which of Mr. Drury's departments it is transferable to—the Government's specifications board, and it exists for the purpose, as you know, of trying to draw up standards and specifications for items in common use, simple items, such as Government stationery, its weight, the kind of stationery, the size of letterhead, and the like. Its task is to provide the standard specifications for government procurement, and it is hoped, incidentally, through co-operation with the Canadian Standards Association, a non-government agency, to arrive at standard specifications for procurement of a great many items of common use which both Government and industry require in substantial quantities.

There is a major development afoot here which stems directly from the recommendations of the Glassco Report. I think at some future point, Senator Leonard, this might well claim the time and attention of this committee.

I will not make more than passing reference to the fact that many changes which have taken place in the organization and structure of the Department of National Defence in pursuance of its integration policy, conform with recommendations made by the Glassco Commission in its report on national defence services. I would not suggest for a moment that these changes were commenced as the result of the report, but the lines along which the Department of National Defence is proceeding in its integration and reorganization of services are very much in line with the recommendations which were made by the Glassco Commission in respect to the Department of National Defence.

Finally, I should come back to where we focussed most of our attention last year, to the fields of financial management and personnel management.

You will recall that a great deal of time was spent at the meetings of the committee last year explaining what we were doing in the government service to examine the feasibility of adopting the Glassco Commission's recommendations in the field of financial management. Essentially, a substantial amount of the central authority in that field which is now vested in central agencies such as the Treasury Board and the Comptroller of the Treasury Board, should be delegated, decentralized to the operating departments, under suitable and adequate financial control mechanisms under which a department would be able to operate within a responsible framework in accordance with Government policy. Arising from that it is the intention and plan that there will be decentralization further within the departments to the branches and regions and district offices, to what we call "responsibility centres", within the department, as much as the responsibility for the budgeting and controlling and monitoring of their own operations as is wise and sound and practical.

We are working along those lines. I recall at the last sessions we reported that financial management surveys were being carried out in four departments. These surveys are now being continued in three other departments, namely, Public Works, National Health and Welfare, and Citizenship and Immigration. They provide an opportunity to examine the feasibility of implementing the Glassco Commission recommendations for decentralization in respect of the personnel management function as well as in the areas of financial management.

We are trying to develop a much more decentralized, delegated approach to the problems of financial and personnel management throughout the Government staffs than exists at the present time.

Senator HAYDEN: Is it expected that this decentralization you are talking about will produce savings and/or more efficiency?

Dr. DAVIDSON: It is certainly anticipated that it will produce a more effective administration by each department of its own responsibility. It is also hoped—and I think in certain areas, Senator Hayden, there is reason to be confident—that there will be some substantial savings arising from the fact that we will no longer have to duplicate in the central agencies the staff and the means to double check all of the individual submissions now being made in the departments and in the central control agency.

Senator AIRD: What is your technique? Do you take one area or one department and use it as a pilot project? Have you taken any positive action in one certain area in this decentralization process?

Dr. DAVIDSON: We recognize, Senator Aird, that it would be difficult to embark upon this decentralization process overnight and to try to transfer the responsibility to departments and agencies across the board, because the fact is that not all of them are equally prepared to accept it. Therefore we have gone to the fairly lengthy procedure of selecting, over a period of almost two years now, four departments, namely, the Department of Transport, the Department of Agriculture, the Department of Veterans Affairs, and the Department of Northern Affairs. We engaged the services of four management consultant firms to come in and do a study in depth of organizations and programs, to make recommendations, and to ascertain how the Glassco Commission's "suit of clothes" as we might call it, could be fitted on to a department, and we are now moving ahead with those departments.

Each of those departments now, some to a greater extent than others, are setting up actual pilot plant operations in some of their regional offices. The D.V.A., for example, in Winnipeg. The Department of Transport has one pilot project under way, starting now in one region—I believe it is Moncton—having to do with air services, and in one of their other offices having to do with marine services. From each pilot project we learn more about what is involved in decentralizing federal responsibility for program budgeting, and, in departments, manipulating of their funds with a greater degree of flexibility than hitherto, provided they remain within their over all program budget.

Senator AIRD: Does the discretion as to technique lie with you or with the department, after an analysis of how it works?

Dr. DAVIDSON: Would you repeat that question?

Senator AIRD: The discretion as to how it works in the four departments—you see how it works and you come to a conclusion. Does the decision as to how that new method operates lie with the department itself or does it lie somewhere else?

Dr. DAVIDSON: I think one would have to say that it lies in the final analysis with the ministers and with the Government. We would presumably monitor the development of this pilot project and we would come to a conclusion jointly with the Department of Transport as to whether this was working sufficiently well, whether they had sufficiently recruited staff and trained staff to the point where they could afford, on the basis of this experience, to spread this throughout, say, their entire Air Service Branch. If we were in agreement on this we would then go to the ministers of the Treasury Board and say "We are prepared to recommend that responsibility



now be formally decentralized in these financial matters to the Department of Transport, that it take whatever supplementary staff is required to carry out this responsibility, and that the controls hitherto exercised by the central control agencies be withdrawn, because we feel the Department of Transport in this area can now carry on adequately its own financial controls."

If we were in disagreement, between ourselves and the Transport Department, the ministers who sit on the Treasury Board would have to make up their minds as to whether they would accept our advice or that of the department.

Senator AIRD: The reason I ask this is that I think it is the crux of the matter. These empires—if that is the word to use—are built up in these matters and do require cutting and pruning; and the discretion and control must lie elsewhere than within.

Dr. DAVIDSON: On that score, I would have to add that the Treasury Board, in its over-all control of the amount of money that it is prepared to recommend as an allocation to that department or establishment, and its control over the total number of people who live and work in the department, its control of program, establishment, dollar amounts—that the Treasury Board is best able to exercise effective control of the over-all size of the department's programs and expenditures.

What has been happening is that, not only has the Treasury Board been concerning itself with these over-all dimensional problems, but every minor change in establishment that is required by a department has, under the present system, been coming to the Treasury Board for specific approval. So, if you want to add to the establishment of the Department of Transport one Grade IV Clerk, you have to come, theoretically, to the six ministers, who sit once a week as Ministers of the Treasury Board, and ask them formally to take a decision that one Grade IV Clerk be, or not be, added to the Department of Transport.

Senator HAYDEN: That may be all right, but once the departmental estimates are approved of a particular department, the department has a supervision of the expenditure of that money. Is not that right?

Dr. DAVIDSON: Within limits.

Senator HAYDEN: Even after Parliament has approved?

Dr. DAVIDSON: Oh my, yes; Parliament does not appropriate money, Senator Hayden, to a department.

Senator HAYDEN: There are items of estimates, particular amounts related to particular items.

Dr. DAVIDSON: All that that means is that Parliament has said that it is prepared to grant supply to Her Majesty in this amount for use for this purpose, if Her Majesty so desires, in the course of the year that it shall be used. The department still has to come, in terms of its detailed program requirements, to the Treasury Board to get release from time to time of the sums of money that are listed in the estimates for these various purposes.

Senator HAYDEN: Yes, but the illustration that you gave was not apt, because the illustration that you gave was additional staff, which might very well not be in the estimates that are provided, or might be there as a miscellaneous item.

Dr. DAVIDSON: Yes, of course. I am thinking now in terms of the total year. There is authority, in the Financial Administration Act and in the Civil Service Act, for additions to be made to the establishment of a department,

from month to month throughout the course of the year, even if they do not appear to be provided for in the main estimates; and these additions can be met by moneys available if a supplementary estimate is later provided which will authorize what has in effect been done.

The CHAIRMAN: Honourable senators, it is 11 o'clock. Dr. Davidson has been very good for an hour and a half on the witness stand here. He also has some other duties to perform. He will be available to us at subsequent meetings. Subject to your wish, I would suggest we might call this morning's meeting concluded. I would like to thank Dr. Davidson again for his valuable help to us in dealing with matters which have been referred to the committee.

The committee adjourned until 11.30 a.m., Thursday, June 3, 1965.























Third Session—Twenty-sixth Parliament

1965

**THE SENATE OF CANADA**  
**PROCEEDINGS**  
**OF THE**  
**STANDING COMMITTEE**  
**ON**  
**FINANCE**

---

The Honourable T. D'Arcy Leonard, *Chairman*

The Honourable H. De M. Molson, *Deputy Chairman*

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No. 2

*Second Proceedings On The Estimates*

laid before Parliament for the fiscal year ending 31st March, 1966.

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THURSDAY, JUNE 3, 1965

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WITNESSES:

*Department of Northern Affairs and National Resources:* John A. MacDonald, Assistant Deputy Minister; J. R. B. Coleman, Director, Natural and Historic Resources Branch.

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APPENDICES:

- "A" List of recommendations of the Royal Commission on Government Organization approved by the Government.
- "B" List of questions submitted by the Honourable Senator Cameron relating to National Parks, and the answers thereto.
- "C" Answers to questions submitted by the Honourable Senator Isnor relating to the Fisheries Research Bureau of Canada.
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ROGER DUHAMEL, F.R.S.C.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1965

THE STANDING COMMITTEE  
ON  
FINANCE

The Honourable T. D'Arcy Leonard, *Chairman*

The Honourable H. De M. Molson, *Deputy Chairman*

The Honourable Senators:

Baird	Macdonald ( <i>Brantford</i> )
Beaubien ( <i>Bedford</i> )	McCutcheon
Beaubien ( <i>Provencher</i> )	McKeen
Belisle	Méthot
Bouffard	Molson
Buchanan	O'Leary ( <i>Antigonish-Guysboro</i> )
Burchill	Paterson
Choquette	Pearson
Connolly ( <i>Halifax North</i> )	Phillips
Crerar	Pouliot
Croll	Power
Denis	Quart
Dupuis	Rattenbury
Farris	Reid
Flynn	Roebuck
Gershaw	Savoie
Grant	Smith ( <i>Queens-Shelburne</i> )
Grosart	Stambaugh
Haig	Taylor
Hayden	Thorvaldson
Hnatyshyn	Vaillancourt
Isnor	Vien
Kinley	Welch
Lambert	Woodrow
Leonard	Yuzyk (50)

*Ex officio members*

Brooks

Connolly (*Ottawa West*)



## ORDER OF REFERENCE

Extract from the Minutes of the Proceedings of the Senate, Thursday, May 13, 1965:

"The Honourable Senator Connolly, Q.C., moved, seconded by the Honourable Senator Hugessen:

That the Standing Committee on Finance be authorized to examine and report upon the expenditures proposed by the Estimates laid before Parliament for the fiscal year ending 31st March, 1966, in advance of the Bills based on the said Estimates reaching the Senate;

That the said Committee be empowered to send for persons, papers and records and to sit during sittings and adjournments of the Senate; and

That the quorum of the said Committee be reduced to seven members.

After debate, and—

The question being put on the motion, it was—

Resolved in the affirmative."

J. F. MacNEILL,  
*Clerk of the Senate.*



## MINUTES OF PROCEEDINGS

THURSDAY, June 3rd, 1965.

Pursuant to adjournment and notice the Standing Committee on Finance met this day at 11.30 a.m.

*Present:* The Honourable Senators Leonard (*Chairman*), Aird, Belisle, Buchanan, Croll, Dupuis, Haig, Hayden, Isnor, Kinley, McCutcheon, Phillips, Pouliot, Rattenbury, Savoie, Smith (*Queens-Shelburne*), Taylor, Thorvaldson, Woodrow and Yuzyk. (20).

The Estimates for the fiscal year ending 31st March, 1966, were further considered.

The following witnesses were heard: *Department of Northern Affairs and National Resources:* John A. MacDonald, Assistant Deputy Minister. J. R. B. Coleman, Director, Natural & Historic Resources Branch.

After discussion it was Agreed to print the following as Appendices to the proceedings of this day:

“A” List of recommendations of the Royal Commission on Government Organization approved by the Government.

“B” List of questions submitted by the Honourable Senator Cameron relating to National Parks, and the answers thereto.

“C” Answers to questions submitted by the Honourable Senator Isnor relating to the Fisheries Research Bureau of Canada.

At 12.45 p.m. the Committee adjourned to the call of the Chairman.

Attest:

Frank A. Jackson,  
*Clerk of the Committee.*





**THE SENATE**  
**STANDING COMMITTEE ON FINANCE**  
**EVIDENCE**

OTTAWA, Thursday, June 3, 1965.

The Standing Committee on Finance, to which was referred the Estimates laid before Parliament for the fiscal year ending 31st March, 1966, met this day at 11.30 p.m.

Senator T. D'Arcy Leonard in the Chair.

The CHAIRMAN: Honourable senators, it is 11:30 and we have a quorum.

There are one or two formal matters before we go on with the evidence. At the meeting last week, Dr. Geo. Davidson, Secretary of the Treasury Board, said that he would forward to us a list of the recommendations of the Royal Commission on Government Organization which have been approved by the Government.

He has filed that list with me; it is quite long. I think there are 25 to 30 recommendations. Subject to your pleasure I suggest that we have it printed as an appendix to the proceedings today. We can then study it, and if any questions arise we can ask them at a later date. Is that agreeable?

Some Hon. SENATORS: Agreed.

(See Appendix "A")

The CHAIRMAN: Perhaps we should note next that it is quite likely the Senate will not be sitting for the next two weeks. While we have the power to sit during recesses of the Senate, it would be my thought that we should not do so in the present circumstances. Is it agreeable that the committee not sit while the Senate is in recess?

Some Hon. SENATORS: Agreed.

The CHAIRMAN: We shall meet again at the call of the Chair.

Appearing before us today are representatives of the Department of Northern Affairs and National Resources. This group, which is available for questioning, is headed by Mr. J. A. MacDonald, Assistant Deputy Minister, who is appearing as the Acting Deputy of the Department.

I think our best procedure would be to follow the questions that have been handed to me by two of our senators, Senator Cameron and Senator Phillips. These questions have been relayed to Mr. MacDonald and he has the answers. I suggest that we start with Senator Cameron's first question. Mr. MacDonald can give the answer, and then supplementary questions can be asked. In this way we can proceed through the list of questions until we dispose of them all. Is that agreeable?

Some Hon. SENATORS: Agreed.

The CHAIRMAN: Then, Mr. MacDonald, would you proceed. We have not got copies of those questions before us.

**Mr. J. A. MacDonald, Assistant Deputy Minister, Department of Northern Affairs and National Resources:** I shall read out the questions and answers, if that is agreeable, Mr. Chairman. The first question reads:

How many superintendents (full time) of national parks are presently employed; what are their names, head offices, qualifications and salaries?

The CHAIRMAN: Honourable senators, is it agreeable that the answer, which I understand is a rather lengthy one, be placed on our record as an appendix?

Hon. SENATORS: Agreed.

The CHAIRMAN: All right, gentlemen, we will go on to question No. 2.

Mr. MACDONALD: Question 2 states:

Can you define the extent of the Superintendent's authority, i.e., what decisions can he render on the spot without having to get clearance from Ottawa?

The answer to that question is:

Basically, the authority of a park superintendent to act on his own is contained in the regulations established by the Governor General in Council under the National Parks Act. He exercises judgments and regulatory powers for decisions under 21 separate sets of regulations. Additionally, in accordance with the provisions of the Financial Administration Act and associated regulations, authority has been delegated to each park superintendent to enter into construction, service and purchasing contracts and otherwise incur the expenditure of Government funds without reference to higher authority.

Within the over-all approved program and funds allotted for the park, the superintendent can transfer funds between various projects and operational programs where this will not result in the approved program itself being changed. He must refer proposed changes in his over-all approved program to higher authority.

As to signing authority, the superintendent may certify and authorize payment of accounts, prevailing rate paylists and contract claims; enter into construction and service contracts up to \$500 and authorize local purchases up to \$300. These amounts represent the maximum authority which varies according to the size of the park and the superintendent's responsibilities.

Generally speaking, the superintendents can render decisions on the spot involving operational matters which fall within existing policies and approved development and operation programs, and for which highly specialized legal, professional or technical advice is not required. Problems which are not covered by existing policies or approved development programs, or which may involve changes in existing policies or new developments of a major nature, must be referred to higher authority for decisions, or to technical and professional specialists for advice.

Under the reorganization now being implemented, specialist advice in engineering, architectural, forestry and biological fields will be more readily available to Park Superintendents than in the past.

Additionally, much of the detailed financial and operational controls now exercised by the Ottawa office are being delegated to the regional directors.

The CHAIRMAN: Gentlemen, are there any supplementary questions to that?

Senator CAMERON: Mr. Chairman, I would like to preface my question by saying that I have had long association with the national parks employees, having lived in Banff for about 30 years. My relations with them have been very good; they have treated me well.

The CHAIRMAN: Are you a tenant?

Senator CAMERON: Yes, I am. Up to the present they have treated me well, particularly in my relations with them as a director of the university establishment there. So I desire to make it clear that I do not want to give the impression in the questions I am asking that I am "gunning for anybody" or that I am hypercritical.



With that I want to say this. The Minister made a statement in Calgary a year ago last March, if I recall, that there was to be a decentralization of authority and responsibility, with a view to decisions being made on the spot. I believe, for example, there is substantial organization in the regional office in Calgary, and yet in the Banff National Park particularly, the number of people who are complaining that they cannot get decisions is increasing right along.

In other words, there seems to be, rightly or wrongly, a feeling that everything is being handled from Ottawa, and this is partly confirmed by some parks officials, when they say, "I am just a post office. We have to go to Ottawa." This is fact.

Mr. MACDONALD: Senator Cameron, not only in the Parks Branch, but I think throughout the whole department, we are engaged in a very active program of decentralization. We are one of four departments that have worked out with the Treasury Board, as "pilot" departments, measures to advance the recommendations of the Glassco Commission for new forms of operational patterns in the public service.

We retained a consultant firm, as each of the other departments did. We have had their recommendations and have accepted most of them. The Treasury Board and Civil Service Commission have concurred in them also. We have just completed recruiting our new financial advisory staff, with our new financial and management adviser joining our staff on April 1st. We are pushing forward, I think quite vigorously, in this program.

Not all of these matters are within the control of this department. Some of them are Government wide, and some further delegations of authority are required. But I believe there is unanimity of view as to the direction in which we are going.

Senator CAMERON: May I ask this: Unanimity of view on whose part?

Mr. MACDONALD: Let us say on the part of the officials of the various Government departments responsible for administration, the advisors to the Treasury Board and, I believe as well, the ministers who have responsibility in this matter.

Any program of this kind, I think it will be appreciated, cannot be accomplished overnight. The right people must be put in the right jobs; people who are capable of taking on increased responsibility. We are moving in that direction, trying to recoup the people we have lost. We are short staffed and are still losing staff to better-paid jobs elsewhere.

Our problems in this respect are just like any other employer's: we take one step forward and, as we lose people through one reason or another, we take two steps back; but we are pressing ahead as vigorously as possible. There will always be differences of opinion between the field operators in the line of authority and the higher command, as to whether or not an office is just a post office, or whether we recognize their authority and the degree to which they have flexibility.

We do not visualize anywhere a park superintendent having full authority to do anything he wishes. I don't think this is reasonable or expected. We are trying to find for them the right mixture of operational authority and flexibility to handle what are called "on the spot problems," that is problems which *can* be solved on the spot.

I do not know if that is fully responsive to your question, but it is certainly the policy and the progress we are trying to achieve right now.

Senator CAMERON: Mr. Chairman, one of the reasons I put down the question on salaries was this: I have been aware that there has been quite a substantial turnover in the department, and I was wondering if salaries

in the Parks Branch of Northern Affairs are comparable with salaries in equivalent areas of other departments. What is the reason for the very high turnover?

Mr. MACDONALD: I think you have put your finger on a problem which greatly concerns us. I can say that we have promises from the Civil Service Commission to sit down with us in the near future to try to look at the whole problem—trying to run a National Parks Service—in terms of the response of the calibre of men we need to alternative opportunities available elsewhere.

The director reported to me again this morning another potential loss of a very vital person we have, a planner, who looks now as if he might be picked up by one of the states in the United States. They are prepared to waive residence qualifications and his citizenship qualifications in order to get this man, whom we value equally highly. He is going for a sum of money which we could not possibly touch in the structure we have.

We believe the nature of National Park administration in Canada has changed out of all recognition over a period of time, and that any previous views of the responsibilities of park superintendents, as might now be reflected in the salary structure, are out of date.

We want to move on this, but you appreciate that these things are not completely in our hands. We must fit in with the overall structure of the Public Service.

Senator CAMERON: May I just say, Mr. Chairman, that I think the parks have been well served by the superintendents they have had in the field, and I think they are capable of making many more on-the-spot decisions than they are apparently making. I want to leave that with you.

Mr. MACDONALD: We agree, senator.

Senator THORVALDSON: Mr. Chairman, in regard to what Senator Cameron said with respect to salaries, he referred to a salary of approximately \$8,000 for park superintendents. I wondered if there was something in their salaries such as housing, or some other appurtenance, which was not included in that cash figure.

Mr. MACDONALD: I think the only perquisite is the beautiful scenery. They are charged a rent under the Crown-owned housing regulations, which is designed to be the economic rent. It is not thought of as a supplement to their cash emolument, which on the average runs to \$8,000, and, for the senior man, up to \$13,000.

Senator THORVALDSON: I must say I was amazed at how low these salaries are for the quality of people you have.

Mr. MACDONALD: Well, it is part of the difficulty of an organization such as the Parks Service, which is an old organization, that its salary structure tends to reflect the view of responsibility held many years ago, in circumstances which in no way reflect the present.

At one time, just pre-war or post-war, I think the visitation to the parks was in the order of 500,000 visitors per annum. Today it is far greater. Between 9 and 10 million visited the parks last year. There is the old problem of visitor accommodation, camping sites and hotel programs; there is road construction, and zoning and planning. All this implies a challenge of the highest order.

We regard these administrative positions, which are now called park superintendents but might more appropriately be described as park administrators, as one of the real administrative challenges, and we need men of the highest qualifications for the positions.

As I said before, the Commission has agreed to meet with us and to talk, not of individual jobs but of the running and manning of Park Service.

Senator CAMERON: May I ask this question in relation to Senator Thorvaldson's question? My observation is that the superintendents of Banff and Jasper National Parks, probably to a greater extent than other parks, have to do a lot of official entertaining. I see my friend the superintendent there having to take visiting VIPs all over the shop.

There is a former superintendent sitting in the audience today. He would know. Is there an allowance made for this kind of extra cost to the superintendent? I have always been curious about this.

Mr. MACDONALD: There is not, senator.

Senator CAMERON: There is not?

Mr. MACDONALD: There is not. So I am advised. The subject of entertaining by civil servants within Canada is a very sensitive one, and I believe the department has never succeeded in making a case that superintendents should be allowed this, although I believe, quite frankly, that the points you raised are extremely valid. Superintendents do have this additional burden. It is inescapable.

Senator CAMERON: I know it. I know they spend a lot of time and go to a great deal of trouble.

Mr. MACDONALD: Mind you, attitudes on this subject of entertaining are changing, and possibly we should go at the problem again. Departments are getting a bit more discretion in this respect in recent years, and possibly the Treasury Board might be more receptive to this problem. We do recognize that there are a lot of analogous situations, and the Board's problem is to make distinctions between valid situations and merely the desire of everybody to entertain generously, as we would all like to do.

Senator SMITH (*Queens-Shelburne*): May I ask a question, Mr. Chairman? What kind of people does the park superintendent at Banff have to entertain on his own at the present time?

Mr. MACDONALD: I could not speak with too much authority on that, but the director, Mr. J. R. B. Coleman, is here. You probably know that the Governor General has been out at Jasper recently. The superintendent would not, of course, be burdened with the particular kind of entertainment that would be involved there, but that is symbolic of the popularity and attraction of these parks.

Mr. Coleman, could you elaborate on something which might be called a day in every superintendent's life?

Mr. J. R. B. Coleman, Director, Natural and Historic Resources Branch: Mr. Chairman, the superintendent is called on to do a great deal of entertaining, and the field is very wide. In our national parks we have many many foreign visitors of note, including government officials from foreign countries, representatives of various embassies and consulates in Canada as well as senior Canadian Government officials, members of royalty, semi-royalty and many others.

It is a long gamut. You cannot just put them all into one little package. There are too many people who come to the parks and they all have to have some sort of entertainment.

Senator SMITH (*Queens-Shelburne*): In these cases, Mr. Coleman, does the Superintendent of Banff buy these people a drink out of his own pocket?

Mr. COLEMAN: Well, yes, the superintendent does. It is only on very special occasions that we can get entertainment allowances for the superintendent.



Mr. MACDONALD: If some very important party is to visit the parks, a budget would be prepared for this; but the in-between situations, the near casual visitations, are not provided for.

Mr. COLEMAN: Right. We have tried many times and in many ways to get some recognition for the superintendent in this respect, but the rules that have been laid down have been so onerous that a superintendent would rather pay for the entertainment out of his own pocket than to spend the time doing the paperwork in connection with it.

Senator SMITH (*Queens-Shelburne*): Of course, the other alternative that suggests itself to me is that he would just not entertain.

Mr. COLEMAN: Very few of our superintendents would refuse to extend their hospitality to visitors.

Senator SMITH (*Queens-Shelburne*): But on his \$8,000 or \$9,000 income it seems to me a very strange situation. I have never heard of it before. I must visit the parks more often.

Mr. MACDONALD: I would not want your expectations to rise to too great an extent, senator.

Senator CAMERON: The superintendents, I know from personal experience, do a lot of this, and do it very well. I never dreamt for a moment that they had no allowance to cover this, and I want to say that this is an important part of their job, because the people they take through the parks come from all over the world. It is the best kind of salesmanship for Canada, and I never for a moment thought they had no allowance.

The CHAIRMAN: It is interesting and important that this has been brought out here.

Senator KINLEY: Is there a revenue factor connected with each park?

Mr. MACDONALD: Yes, senator, there is. Revenue is derived from entrance fees, licences, and the leasing of Crown-owned land to certain parties for visitors' accommodation. There are various other sources of this kind.

Senator KINLEY: Do visitors to the parks have any responsibility to pay for accommodation, parking, food and things of that sort?

Mr. MACDONALD: A visitor to a park will find either hotel or motel accommodation provided by commercial services on land leased from the Crown, in townsites or elsewhere, or, alternatively in the case of campers and trailer owners, on our campsites, for which they pay a daily camping fee.

Senator RATTENBURY: Do the parks own cottages and accommodation of that sort?

Mr. MACDONALD: Very few. Most of the cottages are on land leased from the Crown and are in private ownership.

Senator RATTENBURY: I was under the impression that those chalets, or what have you, belonged to the parks?

Mr. MACDONALD: Oh! there are a few places, senator, where private investment was unable, or not willing, to come in, in a given situation, and we were required to act as a catalytic agent and build some chalets and lease them for operation to entrepreneurs.

Senator THORVALDSON: The Banff Springs Hotel is owned by the C.P.R. Does the C.P.R. lease the land on which that hotel is located?

Mr. MACDONALD: To a large degree. I think the C.P.R. has some free-hold land.

Senator THORVALDSON: Do they pay a large rent, and I would ask the same question in regard to the C.N.R. in Jasper?

Mr. MACDONALD: I don't think we can call the rent substantial, sir, but the leasing policies, as the Minister has indicated, are under very active review at the moment. Again, the leasing policy is one which has gone through a whole era of transition from a point where these matters were not of great commercial value to one where we now have virtually 10 million visitors annually.

Senator BELISLE: May I ask a question, Mr. Chairman: Is there a net revenue from Banff, for example?

Mr. MACDONALD: If by that you mean an excess of revenue over expenditures, no.

Senator BELISLE: Also, does the same thing apply to Jasper?

Mr. MACDONALD: The total revenue of the parks in 1963-64 was in the order of \$2.8 billion, against expenditures, which would be capital and operating, of \$22.9 billion. Revenue still represented a small proportion of expenditures. We believe, as a department,—and my minister so believes—that these revenues should be expanded, not in any hope that they will match expenditure, because a great deal of the expenditure is what might be called public investment, but some of it could be enhanced.

The CHAIRMAN: I have sent for extra copies of the annual report of the department, and senators will already have received this some time ago. I thought that before we close you might have a copy of the report, to refresh your minds.

Senator KINLEY: Do you think that revenue was in any way restricted or otherwise by reason of bad regulations or poor management?

Mr. MACDONALD: The revenue is restricted by the terms of the leases now running and by the period for which the leases were granted. A very real difficulty will arise in instituting any new policy; but the minister has this under active review, and I think he will be making announcements in due course.

Senator KINLEY: Senator Cameron brought up a question about superintendents having too many regulations and not enough liberty. Do you think that is a fact?

Mr. MACDONALD: I think it is a matter of judgment. I had expressed the department point of view that we are very keen to achieve a great deal more decentralization than has ever been considered normal or customary in any government department. Part of doing that is by achieving a means or setting up machinery by which management can make what we call a responsibility accounting review. This is being instituted. We are prepared to have a system where the people in the field and other activities might be given their head, a system by which the management of the department is able to review how they are carrying out their responsibility. But we can never abdicate responsibility for what they do.

Even when we have done this, I believe we will have complaints from some individuals that they have not got the full authority they would like to have. We do see changes however.

Senator THORVALDSON: In regard to the problem of leasing, I asked the original question, and I want to make this remark. I do not want it to be understood I am suggesting there should be any increase in the leasing fees, because hotels such as Banff Springs Hotel perform a great service. I imagine there is an over-all loss in the operation of that institution for the C.P.R., and no doubt the same applies to any other institution of the kind. This is due in part to the climate in this country, which means they cannot be used except for a few months in the year. So I do not want it to be understood that I believe there should be higher rentals.

Mr. MACDONALD: I think my minister will be putting forward suggestions. The situation is mixed. There are areas where the return to the Crown is very low but the assets are trading at very high monetary values.

Senator CAMERON: Senator Kinley asked about management qualifications. Has the National Parks Service introduced a policy of sending senior executives on management training programs? I hesitate to say this, because I run a management school. But do you encourage your senior executives to go on such a course, and, if so, how long is the course?

Mr. MACDONALD: One of our problems is that something in the order of 10 per cent or more of our staff are engaged in training. It is one of our problems in allocating staff.

We very much believe in higher training. We conduct a university of the North. We recently concluded a ten-week experiment, under which all management of our department were brought to Williamsburg near Ottawa. We had another out west, at the Namao airforce base. We brought the entire management together, group by group, with our management consultant and ourselves and we went over the whole range of our problems and hoped for solutions.

We have a program lined up whereby our managers will get training in a variety of places, some within the service and some outside.

Senator CAMERON: I would like to emphasize that it is important for senior men in the public service to participate with men from private industry, to get a broader point of view. The in-service training program is good, but there is a need for the cross-fertilization which comes from the business world in general.

Mr. MACDONALD: We agree.

Senator AIRD: I understand from Mr. MacDonald that they are losing a director to the United States. Have you any comparison or any idea of the wage rate that pertained in this case?

Mr. MACDONALD: If I may, I should not like to identify the particular case. I believe we are able to pay him something in the order of \$10,000, and the opportunity now offered to him will pay something in the order of \$15,600 per annum.

Senator AIRD: Thank you.

Mr. MACDONALD: The next question is No. 3:

How many regional offices are there in Canada? Who are the regional officers? What are their qualifications, salary and authority?

Perhaps this question may be printed with the answer in the proceedings, rather than be dealt with now.

Senator SMITH (*Queens-Shelburne*): How many officers are there?

Mr. MACDONALD: I will leave the biography for the record. There are three regional offices in Canada, the Western Region in Calgary, where the regional superintendent is Mr. Strong, at \$15,100 per annum. Then there is the Central Region at Cornwall under Mr. Donald Coombs, at \$11,800. Then there is the Atlantic Region, which was under Mr. Gordon Scott. I regret very much to have to state that he died yesterday after a long illness. He will be a great loss to our department. He was one of the long-term employees of the department and the kind of man who made the Parks Branch what we think it is today.

Senator SMITH (*Queens-Shelburne*): Mr. Scott had a very high reputation in the Atlantic area. We are very sorry to learn of his death.



Mr. MACDONALD: His death was not unexpected, but it is a deep loss to us.

Senator DUPUIS: In what region is Quebec?

Mr. MACDONALD: In the Central Region.

Senator SMITH (*Queens-Shelburne*): Is there any national park in the Province of Quebec?

Mr. MACDONALD: No national park, but we have historic sites.

Senator CAMERON: May I say that Mr. Coombs has given excellent service. He is a quiet and modest man and eminently fitted for his job.

Mr. MACDONALD: We have had the highest regard for the work of Mr. Coombs.

Senator THORVALDSON: I think Mr. Strong was a former superintendent of one of the parks.

The CHAIRMAN: The rest of this answer will appear as an appendix.

Mr. MACDONALD: It is biographical material.

The next question is No. 4:

What is the relationship of the local superintendent to the Chief Regional Officer?

The answer is that the Chief Regional Officer is the regional director and there is a direct line of authority from the director of the National and Historic Resources Branch to the regional directors to the park superintendents.

I might identify that branch as the branch which administers the National Parks Service, the Canadian Wild Life Service and the Historic Sites Division. However, except in the Central Region, full changeover to the new regional organization has not yet been possible. Some authority is still exercised directly through the director, with a copy of all communications sent to the regional directors.

In the case of the Western Region, all matters relating to national historic parks and sites, and to the Engineering and Architectural Division, go through the regional director. The changeover is 80 per cent complete and should be completed by the end of 1965. This is a staffing problem.

The next question is No. 5: Who is the Chief Legal Officer of the National Parks?

We do not have a legal officer in the Natural and Historic Resources Branch and legal matters are referred to the departmental legal adviser, Dr. Hugo Fisher. Dr. Fisher's qualifications and biographical material are also available.

The CHAIRMAN: Are there any supplementary questions? You must have had something in mind particularly, in asking that question?

Senator CAMERON: This seems to be one of the sensitive areas in parks administration today. A good deal of it hinges on the interpretation of leases with respect to terms, and so on. Just as recently as Sunday of this week I had a visitation from lawyers in Banff who took an exactly opposite interpretation to that taken by the officers of the parks with respect to termination of leases, duration of leases, and so on. That is a recent situation. Who is right? When you get into the hands of lawyers, I realize this is a complicated area.

Mr. MACDONALD: I would not want to say who is right.

Senator CAMERON: In 30 years in the parks I have never known such a degree of uneasiness, if not outright dissatisfaction, as there is now in the interpretation of park policy in respect to leases.

Mr. MacDONALD: I think that is understandable. It is only fair to admit that we are in a period of transition. The situation with respect to leases was one which inevitably had to arise, as the nature and the scale, the visitation and the economic pressures altered, as indeed they have altered.

The leasing structure is one which one can only describe as having "grewed like Topsy". I do not think it can be said to have been a conscious policy.

As a result, the minister has found that we have leases on Crown land which are renewable every 42 years in perpetuity, for sums of money which can only be described as nominal in relation to their economic value.

Those properties are trading in some instances at \$40,000, \$50,000, \$60,000 and \$100,000, and the annual rents to the Crown are \$10 to \$15. Those rents were set in a period where the economic value of the monetary unit was radically different from what it is today. Therefore, there has been a very real need for the right policy to be put forward.

I think it is correct to interpret the minister's feeling here that he has a trust and a responsibility to Parliament and to the people as a whole. He hopes to be able to make an announcement which will at least serve to clarify the leasing policy.

Senator CAMERON: I realize this is a difficulty. As Mr. MacDonald has said, it was done in a different period. I know of a lot in Banff which was sold for the erection of a Safeway store. It was probably 50 by 125 feet in size and it had a shack on it. I am told it was sold for \$37,000. I estimate that the land rental might be \$9 a year.

Mr. MacDONALD: Something like that.

Senator CAMERON: There are other taxes, such as school taxes, water and garbage taxes, in addition. I think most people will feel that the Government of Canada, and the Parks Department should get some revenue out of these resources, certainly to a greater extent than at present.

Is it true that there has been a determination recently either to maintain or restrict the area of the town sites of Banff and Jasper and perhaps others? In other words, are you working within a limited area which is to be prescribed for, say, all time.

If that is so, is not this having the effect of causing these inflated values, whereas if you opened up a larger area and made more of these lots available for commercial or residential development, the people would not pay these exorbitant rates?

Mr. MacDONALD: Senator Cameron, that goes to the very heart of parks administration. The overriding responsibility is stated in the act, which is the preservation of the parks for all time, for succeeding generations. It follows from that, almost by definition, that there must be some restriction on the use of various areas of the park, if they are to be preserved in the condition in which we found them and handed on to succeeding generations.

It follows, therefore, that there must be a limitation on the availability of land, and the economic facts which you have described are bound to follow.

These are always cases of judgment. Even if we were prepared to see that the boundaries were altered in such a way that Banff became a large metropolis in the national park—then the same marginal economic effect would be felt at some point.

The policy of the Government and of my minister in interpretation of the statute, has been to regard this as a visitors' service. The primary function is the provision of services to the public visiting the park. There has to be a boundary to its expansion, and this will have obvious economic effects.

The example you mention with respect to Safeway stores is a good one. This is of concern not only in relation to revenue to the Crown, but the cost of services to the visiting public. If a grocery store has to spend \$130,000 or so for a site, this will be reflected in the price of goods bought by the visiting public.

Therefore, we feel there is an inescapable responsibility on the Crown to try to avoid this sort of situation.

I would not want to go further on that. The policy will be stated in the House by the minister.

On the subject of leasing, I believe the minister will be making another statement in the not too distant future.

Senator HAYDEN: Have you given any thought to the possibility of what I would call a special tax or park tax on the basis of capital appreciation?

Mr. MACDONALD: A great number of ideas of that kind have been bruited about. We are a little worried about the question of tax *per se*.

One of the interesting aspects that arise in the case of the Crown in this park is that it wears about three hats. One hat is that it is a government administering a trust, each area of land called a national park.

In another particular situation, such as Banff, it is wearing a municipal hat. It finds itself operating a town and therefore the concept of tax or local rates for municipal services, are probably an appropriate consideration.

The third hat of which I have been talking about latterly is this landlord hat. It owns land and leases to persons for commercial purposes. These are always for the provision of services to the visiting public, but they are still commercial services. It is this latter one we are speaking of, from an official point of view, when we say that the commercial considerations are the rules that should be operative, and are with what might be called normal leasing procedures.

Senator HAYDEN: I am thinking of the example you gave, where you had leased in perpetuity for a very nominal rent. Surely you would have authority or could get it from Parliament to recover something that could be equated to present value?

The CHAIRMAN: A tax on the selling of the lease.

Senator HAYDEN: Yes. They had that in Ontario on transfers of licenses of freight carriers.

Mr. MACDONALD: I am in some difficulty—

Senator CROLL: And on beer licenses.

The CHAIRMAN: Order.

The WITNESS: I can confirm that various matters of this kind have been under consideration, but I cannot reveal the things explored. The minister has before him a variety of analyses of these problems and the sort of thing that might be done.

Senator HAYDEN: That is the kind of problem where I think something should be done.

Mr. MACDONALD: I think it is fair to say my minister intends that something be done. He does not believe that he would be responsible to his trust were he to allow the present situation to continue.

Senator CAMERON: Recognizing the explosion in the number of the people visiting the national parks and recognizing too that it is in agreement with national policy to encourage the tourist industry, do you think it is practical to retain the present size of the townsite of Banff, which I think is about 325 acres? Would the National Parks be impaired if you made that 650 acres or a thousand acres?



Senator McCUTCHEON: And three years from now somebody will want to make it 2,000 acres.

Mr. MACDONALD: Yes, Senator McCutcheon has underlined the real point that is at issue here. I could not honestly say 600 acres would make that much difference. But the point arises that if you concede the principle of expansion, then you have created a wholly new problem in the administration of a national park. I can say with respect to new situations it is our earnest hope and desire that there will not be another Banff, because it really does not fit harmoniously into a national park where, by definition, we are charged with the task of maintaining the park as much as possible in its condition today for succeeding generations.

The policy is to try to have visitor service centres and restrict residence or occupation there to persons who have to live there because they are engaged in serving the visiting public directly or indirectly. And in Banff, of course, because of its longer history, there are far more people there than fit that qualification, but no change is contemplated, except for future occupation. However, the problem of expansion presents this difficulty, of where you draw the line.

Senator CAMERON: I realize the problems the administration has. Quite frankly, I think they are trying to do the impossible. Here we have a world-renowned centre which last year served 1,354,000 people, or something like that. We have, on the one hand, the Department of Trade and Commerce spending hundreds of thousands of dollars advertising Canadian tourist attractions, the No. 1 attraction being the National Parks. The C.P.R. is doing the same thing. It seems to me to be physically impossible to meet the expanding demand for tourist services with the facilities you have, which raises the question: Should consideration be given to removing Banff, Jasper and some others from the National Parks, or establishing some kind of zoning area for the parks? I believe some consideration was given to this, to create two different zones, the wildlife zone and visitor service zone. I think it is an impossible task you have today, under present circumstances.

Mr. MACDONALD: I would like to say with respect to our approach to the problems caused by the growth of Banff, as a special case in point, that we are not proposing to provide additional accommodation to meet the demands of the visiting public; where that would involve increasing the area of Banff Townsite.

The policy is founded upon the idea of preventing places like Banff from turning into cities. It is not felt that people who go to national parks want to find themselves in a city. Essentially, what we are trying to do is to keep all the additional accommodation that is required in pockets which we call visitor service centres. The one to be created next is close to Banff and is called Lower Lake Louise, and the minister announced the details of that in Calgary a few months ago. The concept is one whereby we will package land and make up five, six, seven or ten motel sites, and we are open to proposals from entrepreneurs who wish to own and operate motels and shopping plazas in the visitor service centres, all of which will be kept within definable areas and of a definable character. After that reaches the saturation point then some other area will be chosen. All of these will blend as happily as possible with nature's work for the outlook of persons driving through the park.

The visitor service centre presents an extremely difficult problem. Zoning is absolutely vital to the parks system, and the concept with respect to each park is to have what is called a wilderness zone, a low density area and a high density area. I think I am roughly accurate in saying this. We are trying to obtain a compromise between preserving the parks for everybody and yet allowing everybody to look at the parks. The wilderness will

remain virtually untouched. The low density areas will contain the roadways to enable the people to travel through the parks and enjoy the visual splendour, and also occasional motel accommodation, and the high density areas will be used for the development of the bulk of the accommodation.

Senator CAMERON: Is there not a contradiction in the act where you say the parks shall be preserved for all time for all of the people? Obviously, unless there is more accommodation only a fraction of the people will be able to take advantage of the parks.

Mr. MACDONALD: We recognize there is a conflict. I do not know whether it is a contradiction, but it is a description of the problem. We accept the fact that it is pointless to preserve the parks if people cannot see them, but there must be a compromise with respect to the number of people that can visit a park at one time. We also accept the fact that the population of this country is growing rapidly, and if there is not an equivalent expansion in the number and size of the parks then the "sold out" sign will become a feature of them, as it has become a feature of some of the parks in the United States. We shall not be able to go on adding motel units and other accommodation for visitors without limit without destroying what the people are coming to see. In other words, people do not come to see a ribbon development of motel accommodation so that when you round a bend in the road you find another motel. That would be defeating the purpose of parks like Banff, Fundy and Terra Nova.

Senator CAMERON: Just a minute. I think I said that the townsite of Banff was 325 acres. Suppose you made it a thousand acres, or even two thousand acres? You could then develop more of these sites that you are talking about, and I am thoroughly in agreement with that. We still have thousands of square miles of wilderness. Could you not compensate by encompassing more of it within the national park to effect this ribbon development which—and do not misunderstand me—should be very rigidly controlled.

Mr. MACDONALD: Yes, this involves the whole problem of looking into the future. When we are considering the preservation of the parks we must look hundreds of years forward to the population that will be travelling then, and measure that against the demand for parks that will then exist. Of course, we believe there should be more national parks, but the initiative in this respect rests with the provinces. The tradition and practice has been for the provinces to make the land available to the federal Government for purposes of a national park. We have not, to my knowledge, declined any meaningful addition to the national parks anywhere, but even if one postulates additional parks this is not going to eliminate the difficulty that a place like Banff represents. Banff is threatening, or would after a period of time threaten, to take on the characteristics of an urban area and thus lose its essential character and meaning. It will always be a matter of opinion as to the point where this happens, but the underlying philosophy is to recognize the problem and try to cope with it.

Senator CAMERON: I agree that this is a risk, but there is a growing body of opinion, particularly in Alberta, which says that the Government of Canada having spent millions of dollars on the Trans-Canada Highway and on national transcontinental railways going through four parks and establishing town sites, that you cannot possibly maintain the status quo; that you cannot go back to the wilderness concept.

Mr. MACDONALD: Well, we are fairly confident that there is room here for this kind of compromise. I should like to make the point that the provision of additional accommodation for these visitors does not necessarily involve the extension of Banff. Much further extension of Banff has these dangers



that I have described, and the best way to cope with it is to have other visitor service centres. Lower Lake Louise is the next one, and I think when people see it in full flower they will be as thrilled with it as they are with Banff. It has its own characteristics.

Senator CAMERON: You mentioned you would be giving private entrepreneurs the opportunity of building motels and so on. What would be the terms of the lease under which they would build them?

Mr. MACDONALD: Well, I would like to say they would be on what are thought to be ordinary commercial terms. They will be up for bid on the basis of quality and scope of the proposal in the first instance. The terms may be a combination of one of the two alternatives of ground rent or a percentage of gross. There is a great deal to be said for the latter because if you are confining the ability of new entrants to come into this you create not a monopoly, but a semi-monopoly. A basic justification for that may be that the people of the country as a whole are in partnership, and if it does very well then we can anticipate that a percentum of the gross profit will be reflected back against the expenditures that are being made.

The terms of the leases will be much less than the 42 years that has been traditional for a long time. They probably will involve a reversion of the structures to the Crown on the completion of the lease period, but this is not firm yet. This is the sort of thing that will be covered by the minister in his statement.

Generally, a problem we are encountering is that where such provision is not included it is not realistic to require an individual to tear down a solid economic building and cart it away. That being the case you really are, therefore, not granting a leasehold but a freehold.

Senator CAMERON: Take a man who is building a motel. For what number of years will the lease be granted?

Mr. MACDONALD: We may offer some alternatives in terms of trying to discover the real economic worth by the competitive process. This is one of the few devices one has of determining economic or market worth. People have a choice as to what they will pay.

Senator CAMERON: I am told that people are being offered 21 year leases.

Mr. MACDONALD: That is right.

Senator CAMERON: This has some implications in financing and the quality of the building and in the rates charged. I also believe there is provision for a possible extension of ten years after 21 years. I do not know whether this is correct.

Mr. MACDONALD: That refers to a transaction that was recently completed—I think satisfactorily. The additional ten years was granted in a special case of a possible new investment that might take place within a restricted term of years. If that does transpire then the additional ten years will be granted. But, the principle of holding it 25 years or less was established because that is accepted by the investors as a quite normal commercial transaction. These terms are common practice with the great universities in respect of their lands, and the C.N.R. has followed the same principle.

Senator CAMERON: The only concern I have is that I am jealous of the kind of buildings that go up in national parks. I want to see them as attractive as possible and of as good quality as possible. People are saying that with a 21-year lease the project is not economic unless pretty high rates are charged, or if you cannot charge very high rates, which would serve to discourage the use of these facilities, then you have to put up a lower quality building.



Mr. MACDONALD: I think the investor in this particular case is pretty shrewd. He is one of the larger ones. We are equally concerned with factors of quality. However, this has not had any effect on that aspect, and of course they must meet competitive market conditions.

Senator CAMERON: I know that you are referring to the Sunshine Development, but is the 21-year lease a general policy?

Mr. MACDONALD: I believe, sir, that the minister's policy when final determination is made will be flexible. It will have to relate to particular situations, because the economics applying to any one situation vary from another. Senator Thorvaldson referred to a type of hotel in a certain area, which might not be profitable, and there may be other areas which may be more attractive and yet operation may be difficult. I do not think there will be an arbitrary policy. I think the policy will attempt to secure a return to the Crown which would be a reflection of the huge public investment which is going into these parks, in the order of \$30 million or \$40 million a year, while at the same time bringing a return to the investor which will guarantee a source of capital to provide visitor accommodation and will include qualitative factors—because we control that part of it very closely. Plans will be judged on the quality and on the design motifs standards, and return to the Crown.

Senator CAMERON: By implication, Mr. MacDonald, what you have said is that the minister's policy with respect to leases will be in effect an *ad hoc* policy and will vary according to circumstances?

Mr. MACDONALD: I think in commercial operations it is very hard to lay down a fiat as to what the market conditions in any one particular situation will be; and therefore the minister would not want to bind himself. I think you are concerned about the question of equity, Senator Cameron, and I know he is, too. Many of these things will be done by bidding processes. However, the minister might want to reserve to himself the right to conceive of a longer lease period than he would normally like to see operative, if it were to get a service to for example, the public which could not otherwise be secured. A situation may be too risky because the volume of visitations had not built up, and it was a longshot investment. I think in commercial areas some room for accommodation and negotiation has to be found for investors; but by and large, I think the aim will be towards a rate of return to the Crown which will allow sufficient incentive for the right volume of investment.

Senator CAMERON: I think there is uneasiness and unrest with regard to national parks today, because the feeling is that any particular development is at the sole discretion of the minister. That applies not only to this minister, but to other ministers as well.

Mr. MACDONALD: I think the situation is a little different here, senator, in that these are negotiations between two parties to a commercial venture. That might be true if the sole discretion applied to an arbitrary changing of existing leases. The element of equity and pre-commitments would then become involved. However, when someone comes in and wants to invest \$2 million for sound business reasons in a park, I think the minister should have the right to make a judgment in the interests of the visiting public, to create economic opportunity, and by a process of bargaining arrive at mutually acceptable terms.

The CHAIRMAN: Any further questions?

Senator KINLEY: You have said, Mr. MacDonald, that so far as the provinces are concerned, they must make the land available.

Mr. MACDONALD: The policy has been throughout the history for the federal Government, subject to approval of Parliament and amendment of the statute,

to accept and create a national park, where the province has been willing to secure the land and hand it over free of all encumbrances or restrictions to the federal Government.

Senator KINLEY: The province pays for the land?

Mr. MACDONALD: If it has to be paid for. Some of it has been crown land in the past, and all that was needed was merely a transfer of administration. In the current case in Nova Scotia some of it was crown land, and some expropriated, and some of it negotiated for. A large part of it was crown land. Most of that negotiated had to do with lumber companies in there, in connection with leases. It is a question of termination of arrangements and that sort of thing.

Senator KINLEY: How long did the leases of the lumber companies go?

Mr. MACDONALD: The land turned over to us is free of all encumbrances. We only receive it in that way.

Senator KINLEY: You do not accept any responsibility for the price of the land?

Mr. MACDONALD: No.

Senator KINLEY: And the provinces pay for the land?

Mr. MACDONALD: Yes.

Senator KINLEY: In Nova Scotia, I understand there is a movement to extend this property at Terra Nova in Queens County.

Mr. MACDONALD: Which park are you referring to, senator? The existing park is in Cape Breton Island.

Senator KINLEY: What is the name of the park which is situated in Nova Scotia?

Mr. MACDONALD: I am not sure of the county, but the name of the national park is Kedjinkujik.

Senator KINLEY: There is an agitation to extend the shoreline. How far has that gone?

Mr. MACDONALD: From the very beginning it was agreed between the province and ourselves that it would be highly desirable if we preserved what might be called a representative coastline area. We have examined one particular area, and have some reservations as to whether it is really representative of what people have in mind when they think of magnificent scenery of the Coast, and we have proposed widening the areas of research, so to speak, to the whole of the Atlantic coast of Nova Scotia, and I believe that is proposed for this summer.

Senator KINLEY: I am asking about this, because John Hirtle has written to me about this expansion. Is there any conflict about the area that has been proposed?

Mr. MACDONALD: I have not seen what area they have proposed.

Senator SMITH (*Queens-Shelburne*): Does not the case which John Hirtle makes for the expansion of the park area include an ocean area, which would be the responsibility of the provincial government?

Mr. MACDONALD: They would have to make it available. I believe the provincial government is keen on it; and so are we. The problem is to discover what would be a suitable area. I think it is wrong to describe it as an extension of the park, because physically it cannot be done and I think it would be wrong to restrict ourselves to looking at one space. We have suggested that we go further afield and make sure we are able to do the best job possible at this time while we are doing it.

Senator SMITH (*Queens-Shelburne*): I have been doing some reading lately as to what has happened to coastal areas in other countries, and it is my opinion that if we do not soon step into some of our coastal areas to preserve them in their natural state we shall be making a terrible mistake.

Mr. MACDONALD: We believe that completely, and we believe that the Nova Scotian government believes it as well, and we hope that it will be possible to do it on an even larger scale than hitherto has been contemplated.

Senator KINLEY: Would it be possible to consider an extension of the national park and get it away from the collecting links?

Mr. MACDONALD: Well, we would like to treat it on its own merits as a principle of coastline preservation, and we have made representations to that effect here, and out on the west coast as well.

Senator KINLEY: There seems to be a prevalent idea that by connecting the lands it would disturb the economy of the country.

Mr. MACDONALD: We would not think of connecting them. We would hope to come to an agreement with the Nova Scotia government on a suitable area that they would make available, and which would eventually become a fine example of preservation of a coastline.

The CHAIRMAN: It is obvious that we are not going to finish today, even with Senator Cameron's questions. I would suggest first that the rest of Senator Cameron's questions that have not been answered, together with the answers Mr. MacDonald has prepared, be printed as an appendix to today's proceedings. (*See Appendix "B"*).

Perhaps Mr. MacDonald and his colleagues would be prepared to come back to us again on some future occasion and we can continue from where we have left off.

Another suggestion is that since Senator Phillips has asked only three questions, I believe, and that Mr. MacDonald has the answers to them, perhaps we could at least have those dealt with now.

Mr. MACDONALD: I can also table these, if you wish.

The CHAIRMAN: Well, Senator Phillips is here, and the answers are not too long.

Mr. MACDONALD: I can also table this.

The CHAIRMAN: Senator Phillips is here and perhaps would like to ask some questions. Then I have one further comment.

Senator Isnor asked a question on the Interim Supply Bill the other day. I did get some information myself in respect to that. If he would like that additional information to appear as an appendix to our proceedings, that can be done.

Senator ISNOR: Yes.

(*See Appendix "C"*)

The CHAIRMAN: We will take Senator Phillips' questions now. I think I have conveyed them to Mr. MacDonald, so perhaps he would deal with them.

Mr. MACDONALD: They came in rather in the way of supplementary questions and I do not have the answers in the same order.

As to question No. 3, Senator Phillips is interested in the matter of the second National Park, P.E.I. and mentions such matters as the question of choice of site and the plans for development.

I have covered this in answering a previous question, as to the responsibility of the provincial government. The provincial government must be willing to explore the possibility of a national park. If the provincial government and



the federal government agree upon a suitable area, the province undertakes to make the area available free of encumbrances.

In June 1964, such an investigation of the coastline of Prince Edward Island was made, with representatives of both governments participating.

The report by the Natural and Historic Resources Branch assessing the potentialities, was forwarded to the provincial secretary on October 30, 1964. The provincial secretary informed us last November that the provincial government was studying the matter.

As supplementary information, I may say that the report, which was thoroughly reviewed and endorsed by senior National Parks Branch officials, finds that only one area meets the criteria for a national park.

The most outstanding natural features available on the Island are those of the seashore; and the minimum length of coastline which would merit preservation by the nation could reasonably be set at eight to ten miles or more. These are matters of judgment, but we believe the area should be significant.

The East Point area, a 13½-mile coastal strip, meets national parks standards for a shoreline park. There is a superb beach for use for day swimming, hiking and picnicking and dunes for controlled nature observation. Excellent camping ground sites are available on gently sloping land overlooking the shore. An interpretative program could be based on physical processes at the seashore.

Certain technical matters of this kind have been looked at and thought to conform. The situation now rests with the provincial government.

Senator PHILLIPS: The department has made a specific recommendation to the provincial government. Are you free to give that information out?

Mr. MACDONALD: I do not see any reason why we should not. It is what is described as the East Point area, about a 13½-mile coastal strip which we think will lend itself to a National Park treatment.

Senator PHILLIPS: There is no possible confusion between East Point and West Point there?

Mr. MACDONALD: No, we have rated West Point and Albertan-Cascumque there.

Senator PHILLIPS: Yes.

Mr. MACDONALD: I understand that it is believed that East Point has park attributes and has the features which we think would make it a first-class coastal park.

The CHAIRMAN: Then there was the question with respect to the fishing program for Eskimos.

Mr. MACDONALD: The information I have obtained on that is as follows: Eskimos may purchase boats through the Eskimo Small Boats Assistance Program with assistance from the Eskimo Loan Fund. Applications are submitted through the district administrators for consideration by an advisory board which makes recommendations to the minister. The assistance is provided on a percentage basis of the total value of the vessel. It is broken down as follows: a minimum of 20 per cent down payment must be provided by the applicants before the application will be considered by the Eskimo Small Boats Assistance Advisory Board. Forty per cent is allotted from the Boat Grant and a maximum of 40 per cent may be borrowed from the Eskimo Loan Fund.

Senator PHILLIPS: Your department has fitted out a number of boats for fishing. Has this program been successful?

Mr. MACDONALD: The particular information I have on that is that a total of 15 boats have been or are in the process of being built. They range from a 26'6" trap boat to three 40 foot longliners. Some are with engines; others

without. The total value of the vessels amounts to \$87,360.00 of which \$34,944.00 has been allotted from the Boat Grant and \$28,882.00 borrowed from the Eskimo Loan Fund.

At present there are applications on file for a 31-foot trap boat and a 40-foot longliner. The total value of these vessels is \$19,370.00 of which \$7,748.00 is to be allotted from the Boat Grant, and \$7,712.00 borrowed from the Eskimo Loan Fund.

This makes a value grand total of \$106,730.00, a grant value of \$42,692.00 and \$36,594.00 borrowed from the Eskimo Loan Fund.

The CHAIRMAN: There was another question with respect to the Hall Report, the Hall Commission on Medical Services.

Senator PHILLIPS: As to the mobile medical services.

Mr. MACDONALD: On that point, the provision and the quality of medical services is a responsibility of the Department of Health and Welfare. As we are intimately involved, we could of course go into that also; but we think it would be better if you had the responsible officers discuss their responsibility in that respect.

Senator PHILLIPS: Fine.

The CHAIRMAN: If there are no other questions I may say to Mr. MacDonald and his associates, including Mr. Coleman, that we thank them for the information which they have given us and we express our appreciation of their willingness to come back when we have another opportunity, to complete the questions we have in mind.

The committee adjourned.

## APPENDIX "A"

LIST OF RECOMMENDATIONS OF THE ROYAL COMMISSION  
ON GOVERNMENT ORGANIZATION APPROVED  
BY THE GOVERNMENT

Five of the recommendations, marked with an asterisk in the list, were adopted by the previous Administration. The underlined portions indicate verbatim the recommendations involved. The balance of the text shows changes, clarification and/or explanation of modifications made.

## VOLUME I — REPORT # 3

## PERSONNEL MANAGEMENT

## Page 269

1. *Promotions and transfers be made by departments within general guidelines established by the Treasury Board.* (This recommendation has been approved in modified form with the Civil Service Commission, as the agency responsible for promotions and transfers under the present Civil Service Act substituted for the Treasury Board.)

## Page 288

2. *The salaries of senior administrative personnel be increased at least by the amounts necessary to create reasonable differentials in remuneration for varying degrees of entitlement of senior staff.*

## Page 294

3. *For senior and intermediate positions, at least salary treatment within the pay range be related to performance of the individual, and other relevant factors.* (Increments for Senior Officer 1 and above are to be related to performance and other relevant factors.)

## VOLUME I — REPORT # 4

## PAPERWORK &amp; SYSTEMS MANAGEMENT

## Page 515

4. *A Management Improvement Branch be created to serve the Treasury Board and be responsible for initiation of policy on administrative procedures, promotion of improvement within the departments and agencies, and co-ordination of interdepartmental and common service matters.* (The title Management Improvement Branch has been authorized instead of Administrative Improvement Division.)

## Page 515

5. *Management services groups within departments and agencies be created, strengthened and re-organized to carry out continuous programmes for administrative efficiency under the direction of the deputy head.* (This has been commenced in a number of departments.)



Page 516

6. An electronic data processing service centre be established in Ottawa and, as required, in other major cities. (Service Bureau established in Ottawa.)

## VOLUME 2 — REPORT # 5

### REAL PROPERTY

Page 35

7.\* The Department of Public Works be made responsible for the development of a complete inventory of properties owned or leased by the federal government and its agencies, and its maintenance as a perpetual record by posting to it all future acquisitions and disposals as they occur.

Page 40

8. A review be made of national park policy and a comprehensive statement of future goals be announced. (The recommendation was that a review be made of national park policy and a comprehensive statement of future goals be incorporated in the relevant legislation. Incorporation in legislation is not considered essential. Policy statement was given to House of Commons September 18, 1964; see *Hansard* page 8192.)

## VOLUME 2 — REPORT # 6

### PURCHASING & SUPPLY

Page 141

9. The existing Department of Defence Production be renamed the Department of Supply, and its responsibility be extended to include procurement for civilian departments and agencies. (Change in title—Department of Supply instead of Purchasing and Supply. Recommendation approved in principle, subject to legislation to be introduced.)

## VOLUME 2 — REPORT # 7

### TRANSPORTATION

Page 162

10.\* A Traffic Advisory Group be established within the Department of Supply, to compile data on the movement of supplies and equipment to or within the federal government, and assess the utility of central management for this traffic (excluding movements within the military supply system); to negotiate with carriers to obtain suitable rates for government traffic not entitled to the military stores rates; and to advise the civil departments and the Treasury Board on traffic matters. (Change of title—Department of Supply instead of Purchasing and Supply.)

Page 165

11. Consideration be given to negotiating for fixed rates for the travel of military and civilian personnel in the public service. (Study under way.)

Page 202

12. The Air Division headquarters of the RCMP be moved to the Department of Transport hangar at Ottawa Airport and its maintenance and stores sections be integrated with those of the Department.

## VOLUME 2—REPORT No. 8

## TELECOMMUNICATIONS

Page 254

13. *\*The Minister (of Transport) be supported within his department by an organization to provide expert advice and to perform such non-operating duties as are required for the execution of the telecommunication policy of the government.*

## VOLUME 2—REPORT No. 9

## PRINTING &amp; PUBLISHING

Page 302

14. *Sales of government publications through commercial booksellers be promoted by increasing sales discounts and by introducing credit, return and other privileges equal to those offered by commercial publishers.*

Page 302

15. *Commercial booksellers agreeing to stock a specified quantity of government publications, be designated and promoted as official agents.*

Page 302

16. *Bookstores be operated by the government only where the demand is adequate to permit operation on a sound financial basis.*

Page 304

17. *Prices be established so as to achieve maximum recovery costs without unduly diminishing the volume of sales.*

## VOLUME 2—REPORT No. 10

## THE "MAKE OR BUY" PROBLEM

Page 330

18. *\*A frequent review be made of all workshop facilities to ensure that:*
- 1 *New facilities are not established or old ones replaced without thoroughly considering the use of other government shops and outside suppliers.*
  - 2 *Cost accounting, work study and other management techniques are in use to ensure efficient management and accurate measurement of performance.*
  - 3 *Tenders are requested for all work suitable for contracting out.*

## VOLUME 3—REPORT No. 13

## PUBLIC INFORMATION SERVICES

Page 72

19. *The government assess the scale and character of the information activities of the Armed Forces, and especially their heavy reliance on public relations techniques.*

Page 76

20. *\*Responsibility for the administration of the Canadian Government Travel Bureau be transferred from the Minister of Northern Affairs and National Resources to the Minister of Trade and Commerce.*

Page 82

21. *The Information Division and Liaison Services of the Department of External Affairs be re-organized under a senior officer responsible to the Under-Secretary, this officer to serve as chairman of the Interdepartmental Committee on Information Services Abroad with responsibility for its reinvigoration.*

#### VOLUME 3—REPORT #14

##### EDUCATION SERVICES

Page 153

22. *New construction of Indian schools be limited to cases of long-term need.*

#### VOLUME 3—REPORT #15

##### HEALTH SERVICES

Page 202

23. *Where possible, medical and dental care (for Indians) be arranged through private practising physicians and dentists, with the federal government bearing (or sharing) the cost of prepaid medical plans where necessary.*

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24. *Where practicable, nurses or technicians meet incoming aircraft and ships from foreign lands in lieu of physicians. (The recommendation was that a nurse or technician meet incoming aircraft and ships from foreign lands; and a physician be only on call for emergency situations. This is departmental practice in most situations. Medical personnel are on duty continuously at certain ports of entry.)*

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25. *The number of (Immigration Service) physicians now abroad be sharply reduced, and proper management controls be introduced in the Immigration Medical Service.*

#### VOLUME 4—REPORT #20

##### DEPARTMENT OF NATIONAL DEFENCE

Page 74

26. *Provision be made for the exercise by the Chairman, Chiefs of Staff, of the ministerial power of direction over the Armed Forces, within such limits as the Minister may define.*

Page 74

27. *The Chairman, Chiefs of Staff, be given the "control and administration" of such elements common to two or more Services as the Minister may designate.*

Page 74

28. *In recognition of the change of status implicit in these proposals, the title of the Chairman, Chiefs of Staff, be altered to "Chief of Canadian Defence Staffs".*

Page 74

29. *The Deputy Minister of National Defence be given greater responsibility for keeping under review the organization and administrative methods*



of the Canadian defence establishment, and assisting and advising the Minister in the discharge of his responsibility for the control and management of the Armed Forces.

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30. A comprehensive review be made of the military and civilian manpower needs of the Armed Forces.

#### VOLUME 4—REPORT #21

##### DEPARTMENT OF EXTERNAL AFFAIRS

Page 141

31. Consideration be given to the development of an administrative career service within the Department.

#### VOLUME 4—REPORT #23

##### SCIENTIFIC RESEARCH AND DEVELOPMENT

Page 224

32. A Central Scientific Bureau be established in the Privy Council Office to act as a science secretariat to the Cabinet under an officer to be known as the Director, Scientific Secretariat. (The Bureau has been established in the Privy Council Office and is headed by a Director, Scientific Secretariat, instead of—as Glassco recommended—a Scientific Secretary reporting to the proposed President of the Treasury Board.)

## APPENDIX "B"

## LIST OF QUESTIONS SUBMITTED BY THE HONOURABLE SENATOR CAMERON RELATING TO NATIONAL PARKS, AND THE ANSWERS THERETO.

*Question 1:* How many Superintendents (full time) of National Parks are presently employed; what are their names, head offices, qualifications and salaries.

*Answers:* There are 15 Superintendents of National Parks. They are:

George Herbert William ASHLEY  
Superintendent, Elk Island National Park  
Lamont, Alberta  
\$8970 per annum.

Three years high school—Province of Alberta  
Commercial art course.  
Civil Service Commission—Theory of Office Management Course  
Military Service—R.C.A.F.—1941 to 1945  
Continuous service since March 1952.  
4 years—Park Warden and Chief Park Warden  
1 year—Assistant Superintendent (Banff)  
7½ years—Superintendent (Kootenay and Prince Albert)  
Transferred to Elk Island National Park February 1, 1965.

Harry Thomas COOPER  
Superintendent, Fundy National Park  
Alma, New Brunswick  
\$8970 per annum

Two years high school—Province of Ontario  
Night Course—Bookkeeping and Accounting  
1954—C.S.C. Junior Administrative Officer Course  
Military Service—R.C.N.—1943 to 1946  
10 years—Clerical and Administrative experience.  
3 years—Assistant Park Superintendent (Jasper and Banff)  
2 years—Superintendent (Yoho)  
Appointed Superintendent Fundy National Park October 1962.

George Henry Lawrence DEMPSTER  
Superintendent, Banff National Park  
Banff, Alberta  
\$13,800 per annum

B.S.C. (Civil Engineering) University of Saskatchewan	1932
M.S.C. (Civil Engineering) University of Saskatchewan	1934
Senior Officers—R.C.A.F. Staff Course	1944
Regional Officers Administration Course	1958
Senior Officers Course Government Administration	1960
6 years experience National Parks Resident Engineer	
5 years Military Service	
12 years experience as Park Superintendent in a number of Parks	
4 years as Regional Supervisor, Western Region	
1 year as Superintendent Banff National Park	

**Richard Haddon KENDALL**

Superintendent, Yoho National Park

Field, British Columbia

\$8970 per annum

B.S.C. (Forestry) University of Aberdeen

1949

7 years experience United Kingdom Forestry Commission

6 years experience Forestry Service, Provincial and Federal Governments

2 years experience Park Superintendent (Yoho)

**Steve Frank KUN**

Superintendent, Prince Albert National Park

Prince Albert, Saskatchewan

\$8970 per annum

B.S.C. (Forestry) University of British Columbia

1955

M.S.C. (Forestry) University of British Columbia

1958

3 years experience, Forestry Officer, Forestry Branch, formerly with  
Department of Northern Affairs and National Resources

7 years experience, National Parks Forestry Officer

3 months experience Park Superintendent (Prince Albert)

**Donald William MCAULEY**

Acting Superintendent, Prince Edward Island National Park

Stanhope, Prince Edward Island

\$7890 per annum

B.S.C. (Forestry) University of New Brunswick, 1952

2 years experience, Hydrographic Service, Department of Mines and  
Technical Surveys1 years experience, Technical Officer, Forestry Branch, Department of  
Northern Affairs and National Resources10 years experience, National Parks, including 1 year as Acting Super-  
intendent**Maurice Joseph McCARRON**

Superintendent, Glacier and Mount Revelstoke National Park

Revelstoke, British Columbia

\$8970 per annum

Junior Matriculation

4 years 6 months—World War 2

Canada, Newfoundland, South Pacific Area (Hong Kong)

9 years—Park Warden and Chief Park Warden, Fundy National Park,  
Alma, New Brunswick; Point Pelee National Park, Leamington,  
Ontario3 years 6 months—Superintendent, Point Pelee National Park, Leaming-  
ton, Ontario3 years 11 months—Superintendent, Cape Breton Highlands National  
Park, Ingonish Beach, Nova ScotiaTransferred to Glacier and Mount Revelstoke National Park, Revelstoke  
B.C. April 20, 1965.**Kenneth Bruce MITCHELL**

Superintendent, Jasper National Park,

Jasper, Alberta

\$10,050 per annum



## Senior Matriculation

Geology—Aerodynamics—Surveying and Mapping

Theory of Office Management

Short Course Business Administration—Banff School of Fine Arts.

Approximately 34 years experience

20 years—Clerical and Administrative

3 years 6 months—Assistant Park Superintendent—Banff National Park

5 years—Superintendent, Riding Mountain National Park,  
Wasagaming, Manitoba3 years 3 months—Superintendent, Kootenay National Park,  
Radium Junction, B.C.

Transferred to Jasper National Park July 1, 1963.

## Bjorn Edward OLSON

Superintendent, Wood Buffalo National Park

Fort Smith, N.W.T.

\$8970 per annum

Bachelor of Scientific Agriculture, Animal Husbandry and Pathology,  
1924

Master of Scientific Agriculture, 1928

1 year—supervising field crop experience, Dominion Experimental Farm

7 years—factory representative, General Motors Corporation of Canada

5 years—self employed, farming and fishing

4 years—Secretary, Leon Agricultural Implements Ltd.

6 years—Operations and Agriculture, Canadian Pacific Railway

10 years—Superintendent, Indian Agency, Citizenship and Immigration

8 years—Park Superintendent (Wood Buffalo), became Superintendent  
at Wood Buffalo May 6, 1957.

## John Allan PETTIS

Superintendent, Waterton Lakes National Park

Waterton Park, Alberta

\$8970 per annum

Bachelor of Science, Civil Engineering, University of Alberta, 1948

7 years—Engineer (Jasper, Yoho, Glacier, Mount Revelstoke)

10 years—Park Superintendent (Kootenay, Jasper, Riding Mountain,  
Waterton Lakes)

Transferred to Waterton Lakes National Park February 1, 1965.

## Thomas White PIERCE

Superintendent, Point Pelee National Park

Leamington, Ontario

\$8970 per annum

Bachelor of Science, Forestry, University of Toronto, 1949

Military Service, overseas, R.C.A.F. 1940-45.

2 years—Forest Engineer (Jasper)

2 years—Assistant Park Superintendent (Jasper, Banff)

9 years—Park Superintendent, (Kootenay, Waterton Lakes, Point Pelee)

Transferred to Point Pelee May 15, 1961.

## John Edgar RAE

Superintendent, Kootenay National Park

Radium Junction, B.C.

\$7890 per annum

Bachelor of Science, Agriculture, Ontario

Agricultural College, 1935

Military service—non-overseas, R.C.E.—3 years.

14 years—Chief Engineer and Mine Foreman—Private Engineering Firms

3 years—National Parks Officer (Ottawa, Jasper)

2 years—Assistant Park Superintendent (Jasper)

5 months—Park Superintendent (Kootenay)

Transferred to Kootenay January 13, 1965.

Bernard Raymond STYLES

Superintendent, Riding Mountain National Park

Wasagaming, Manitoba

\$8970 per annum.

Senior Matriculation

Business College Certificate

Military Service—1939 to 1944

Civil Service Commission Theory of Office Management Course

Water Safety Conference—Alberta Safety Council—1957

9 years—Park Attendant experience

3½ years—Clerical and Administrative experience

1 year Assistant Superintendent (Banff and Jasper)

5 years—Superintendent (Glacier and Mount Revelstoke)

Appointed Superintendent Riding Mountain National Park April 1965.

Harley Bernard WEBB

Superintendent, Cape Breton National Park

Ingonish Beach, Nova Scotia

\$7230 per annum

Junior Matriculation

Department of Veterans Affairs Correspondence Course—Bookkeeping

Department of National Health and Welfare Sanitary Inspector Course

Certificate in Sanitary Inspection—Canadian Public Health Association

Civil Service Commission Theory of Office Management Course

10 years—Clerical experience

4 years—Sanitary Inspector

3 years—National Parks Officer 1 (Jasper and Ottawa)

9 months—Acting Superintendent (Prince Edward Island)

9 months—Acting Superintendent (Kootenay)

4 months—National Parks Officer (Ottawa)

Transferred to Cape Breton National Park as Superintendent in April 1965 (National Parks Officer 2 level)

George James RABY

Superintendent, Terra Nova National Park

Glovertown, Newfoundland

\$7890 per annum (National Parks Officer 3—Acting)

Junior Matriculation

Completed Department's Junior Officer course

Military Service—R.C.A.F.—1942 to 1945

13½ years—Clerical and Technical experience

3 years—National Parks Officer (Ottawa)

Appointed Superintendent, Terra Nova National Park effective 9-12-64

Acting Pay as National Parks Officer 3 effective 1-3-65.

*Question 2:* Can you define the extent of the Superintendent's authority, i.e., what decisions can he render on the spot without having to get clearance from Ottawa?

*Answer:* Basically, the authority of a Park Superintendent to act on his own is contained in the Regulations established by the Governor General in Council under the National Parks Act. He exercises judgements and regulatory powers for decisions under 21 separate sets of Regulations. Additionally, in accordance with the provisions of the Financial Administration Act and associated regulations, authority has been delegated to each Park Superintendent to enter into construction, service and purchasing contracts and otherwise incur the expenditure of Government funds without reference to higher authority.

Within the over-all approved program and funds allotted for the park, the Superintendent can transfer funds between various projects and operational programs where this will not result in the approved program itself being changed. He must refer proposed changes in his over-all approved program to higher authority.

As to signing authority, the Superintendent may certify and authorize payment of accounts, prevailing rate paylists and contract claims; enter into construction and service contracts up to \$500 and authorize local purchases up to \$300. These amounts represent the maximum authority which varies according to the size of the park and the Superintendent's responsibilities.

Generally speaking, the Superintendents can render decisions on the spot involving operational matters which fall within existing policies and approved development and operational programs, and for which highly specialized legal, professional or technical advice is not required. Problems which are not covered by existing policies or approved development programs, or which may involve changes in existing policies or new developments of a major nature, must be referred to higher authority for decisions, or to technical and professional specialists for advice.

Under the reorganization now being implemented, specialist advice in engineering, architectural, forestry and biological fields will be more readily available to Park Superintendents than in the past.

Additionally, much of the detailed financial and operational controls now exercised by the Ottawa office are being delegated to the Regional Directors.

*Question 3:* How many regional offices are there in Canada? Who are the regional officers? What are their qualifications, salaries and authority?

*Answer:* There are three regional offices in Canada;

(a) Western Region, Calgary, Alberta.

Berthold Irwin MacFarlane STRONG  
\$15,100 per annum

3 years high school education

2 years Bookkeeping and Higher Accountancy Course

13 years banking experience, Bank of Nova Scotia

5 years experience Clerk 4, National Parks

5 years experience in Canadian Army 1940-45

1 year experience Departmental Accountant 2, National Parks

10 years experience Park Superintendent

6 years experience Chief, National Parks Service

1½ years experience Regional Director



## (b) Central Region; Cornwall, Ontario.

Donald Brackinreed COOMBS

\$11,800 per annum

B.A. University of Western Ontario 1947

M.A. McGill University 1952

3 years experience Department of Mines and Technical Surveys, (Geodetic Survey)

2 years experience Department of National Defence (Publications Office)

8 years experience as a National Parks Officer in a number of Parks

1½ years experience as Regional Director

## (c) Atlantic Region, Halifax, Nova Scotia.

Gordon Lessiman SCOTT

\$15,100 per annum

B.S.C. (Civil Engineering) 1932

3 years experience engineer, Ontario Department of Highways

3 years experience mine engineer, Seal Harbor Gold Mines Ltd., Goldboro, Nova Scotia

8 years experience, engineering and assistant chief, Department of Transport

1 year experience, Assistant to the President in General Contracting firm Vancouver, B.C.

7 years experience, engineer, Department of Northern Affairs and National Resources

8 years experience, Chief Engineer, National Parks

1½ years experience, Regional Director

## REGIONAL DIRECTOR'S AUTHORITY

It is important to appreciate that the reorganization of the Natural and Historic Resources Branch, which has as its main objective the decentralization of operational authority from the Head Office at Ottawa to the Regional Directors and the individual parks, is presently being implemented. At the moment, the Regional Directors and the Park Superintendents do not have the level of authority in all matters which they will have when this reorganization is completed (during the current fiscal year, we hope).

Basically, the Regional Directors exercise direct line authority between the Director of the Natural and Historic Resources Branch and the various components of the Branch located within their Region. These include the individual national parks and national historic parks and sites. Because of the very specialized nature of the work of the Canadian Wildlife Service, it is not intended to place regional and field offices of the Canadian Wildlife Service under the Regional Directors who have responsibilities for National Parks and National Historic Sites.

Regional office staffs will include engineering, forestry, park interpretation, accounting and purchasing specialists as well as experienced National Parks and Historic Sites administrators and clerical assistance to enable the Regional Directors to provide effective control, guidance, and specialist advice and services to the various units in each region.

As the Regions become fully operational, it is anticipated that the Regional Directors will assume responsibility for the operational management of the National Parks and other units within their Regions. Adequate authority to enable them to discharge their responsibilities effectively will be delegated

to them. Refer to Question 14 for the financial authorities proposed for the Regional Directors.

It should also be mentioned that this will involve a major change in the role of the head office in Ottawa. The basic role of the headquarters of the Natural and Historic Resources Branch will be of planning, policy development and review, the approval of overall development and operational programs, and the establishment of standards for park facilities and work performance. The Branch Director's responsibilities will continue to include management audits to assess the performance of Regional Directors and other senior field officers, and high level liaison with other Government agencies, including the processing of matters requiring approval above the Branch level.

*Question 4:* What is the relationship of the local superintendent to the chief regional officer?

*Answer:* The chief regional officer is the Regional Director, and there is direct line of authority from the Director of the Natural and Historic Resources Branch to the Regional Directors to the Park Superintendents. However, except in the Central Region full changeover to the new regional organization has not yet been possible. Some authority is still exercised directly through the Director to the Park Superintendents, with a copy of all communications sent to the Regional Directors. In the case of the Western Region all matters relating to National Historic Parks and Sites and to the Engineering and Architectural Division go through the Regional Director. Changeover is 80 per cent complete and should be complete by the end of 1965.

*Question 5:* Who is the chief legal officer of the National Parks? What are his qualifications and authority?

*Answer:* We do not have a legal officer in the Natural and Historic Resources Branch and legal matters are referred to the departmental legal adviser, Dr. Hugo Fischer.

*Question 6:* Who in the National Park Administration is responsible for real estate regulations, i.e., determinations of duration of leases, evaluation of leases, etc.? What are his qualifications, i.e., in evaluating properties, determining financial requirements of leaseholders?

*Answer:* The Director, Natural and Historic Resources Branch, under instructions from the Deputy Minister, is responsible for processing real estate transactions, etc. The term of leases granted covering lands in national parks is determined by the Minister. In cases where evaluation of lands is required, the Department consults qualified appraisers including those of the Real Estate Division, Department of Transport, as well as non-government professional valuers.

There is no specific officer responsible for establishing financial requirements for developments in the national parks. The current practice simply involves a requirement that persons submitting tenders for the lease of park lands provide evidence of their ability to finance the construction of the developments or improvements proposed in their tender.

Where the investment of capital will be high and the term of a lease relatively short the Minister may also ask the developer for assurance that his financial estimates include provision for writing off the value of the improvements within the term of the lease. The Department's Economic Adviser (Dr. J. L. Jenness) normally reviews material of this nature submitted by prospective developers. We do not consider that the present Land Administration organization or staff in the Natural and Historic Resources Branch is adequate to handle the rapidly increasing volume and complexity of the workload in

this field. With the present large and rapidly growing use of national park lands the policies and procedures which were adequate to control private development in the national parks and the leasing of park lands in the past are no longer satisfactory for the present-day conditions. Studies of land administration problems have been underway for some time and we expect to have firm proposals for major changes in the near future.

*Question 7:* Under what Act or specific section of the National Parks Act does this officer obtain his authority?

*Answer:* The Minister's authority for the granting of leases is contained in the National Parks Act (Section 7, subsection (1), paragraphs (g) and (h)), and in the National Parks General Regulations (Sections 3 and 4).

*Question 8 (a):* Under what authority was the area roughly from the old eastern gate of Banff National Park moved westward from approximately 18 miles east of Banff to its present location approximately 10 miles east of Banff?

*Answer:* The revision of the boundaries of Banff National Park, which moved the eastern gateway westward for approximately 18 miles, was authorized by the National Parks Act 1930, which withdrew certain lands contained in the former Rocky Mountains Park and established boundaries for the new Banff National Park.

*Question 8 (b):* What were the considerations which led to the taking of this area out of Banff National Park?

*Answer:* The boundaries of Banff and Jasper National Parks, as established by the National Parks 1930, were adjusted following an agreement between Canada and the Province of Alberta. Included in the lands deleted from Banff (Rocky Mountains) National Park was an area of approximately 630 square miles including Kananaskis and Spray Lakes watersheds. This deletion was in accordance with the provision of Section 16 of the agreement made under the Alberta National Resources Act, which read as follows:

The Government of Canada will introduce into the Parliament of Canada such legislation as may be necessary to exclude from the parks aforesaid certain areas forming part of certain of the said parks which have been delimited as including the lands now forming part thereof which are of substantial commercial value, the boundaries of the areas to be so excluded having been heretofore agreed upon by representatives of Canada and of the Province, and the Province agrees that upon the exclusion of the said areas as so agreed upon, it will not, by works outside the boundaries of any of the said parks, reduce the flow of water in any of the rivers or streams within the same to less than that which the Minister of the Interior may deem necessary adequately to preserve the scenic beauties of the said parks."

The new boundaries for Banff National Park were adopted following the recommendations of Mr. R. W. Cautley, D.L.S. who was detailed to investigate and report on suitable boundaries for Rocky Mountains and Jasper National Parks. Acting in conjunction with Mr. Cautley was Mr. L. C. Charlesworth, Chairman of the Irrigation Council of Alberta, appointed as official representative of Alberta in all discussions relating to park boundaries.

In determining what should or should not be included in the national parks, Mr. Cautley followed instructions from the Deputy Minister of the Interior, which outlined the principles to be followed:



Broadly speaking, the principle to follow is that the areas investigated shall be classified on the basis of their being used for such purposes as shall yield the greatest return to the nation. Many areas are so outstanding in their scenic, recreational and educational characteristics that there can be no doubt their natural and proper place is in the national parks. Other areas may be more suitable for forest reservations than parks. Again there may be areas where certain natural resources indicate that such areas will serve Canada best by their being open to industrial development.

In selecting the new boundaries for Banff National Park, Mr. Cautley followed the principle that heights of land boundaries are preferable to streams or rivers in that they are almost always easily recognized, are much more impassable than any artificial wall or fence, and form a natural barrier to man or beast. In contrast, a stream or river boundary is a natural travel route for both.

In his recommendations respecting the Kananaskis and Spray River watersheds, it was pointed out that the Kananaskis area had been a part of Rocky Mountains Park for 35 years and possessed a great deal of scenic value as well as being an excellent game country. On the other hand, the Kananaskis watershed was separated from the main Rocky Mountains Park by a high mountain range, which lessened its usefulness as part of the main park. Moreover, as the area included the Bow Valley coal-beds, and there were also possibilities of water power development, it was recommended that the entire Kananaskis watershed be excluded from the park.

With respect to the Spray Lakes area, Mr. Cautley stated that he felt strongly convinced that any area in the parks in which it was proposed to permit industrial development of any kind should first be excluded from the parks before such permission was granted. Otherwise a precedent would be established which could be only regarded as being subversive to the Minister's intention to make the National Parks of Canada inviolable.

*Question 8 (c):* Were any representations made to the Parks administration of that day to the effect that the wilderness areas were being impaired? By whom were such representations made and in what year?

*Answer:* Representations were made to the Minister of the Interior or to the Department respecting a proposal that the Spray Lakes in Rocky Mountains Park be made available for hydro-electric power development. A review of available files indicates that representations were made from 1924 to 1927 by the following:

The United Farmers of Alberta (1927)  
 Canadian National Parks Association (1924)  
 Banff Citizens' Council (September 1922 and April 1923)  
 American Association for the Advancement of Science  
 Alpine Club of Canada:

Vancouver Island Section	
Vancouver	"
Saskatoon	"
Winnipeg	"
Toronto	"
Calgary	"

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Edmonton	"
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Calgary Anglers Association  
 Calgary Automobile Club

Calgary Board of Trade (May 11, 1923)—re first determining amount of power available

Canadian Club:

Winnipeg  
Brandon  
Saskatoon  
Victoria (1927)

Women's Canadian Club

Brandon  
Winnipeg  
Vancouver

Board of Trade and Civics, Brandon

Board of Trade, Lethbridge (1927)

Rotary Club of Brandon

Brandon Public Parks Board

Natural History Society of Manitoba

Royal Society of Canada

Saskatoon Motor Club

Toronto Field Naturalists' Club (1927)

Western Canada Coal Operators' Association (1924)

Drumheller Board of Trade (1924)

Manitoba Motor League

Kiwanis Club:

Brandon  
Victoria

Young Women's Auxiliary, St. Paul's Church, Brandon

Local Council of Women, Brandon

Local Council of Women, New Westminster, B.C. (1927)

Local Council of Women, Victoria, B.C. (1927)

Manitoba Horticultural and Forestry Association

Alumni Association, Manitoba Agricultural College

Gyro Club, Victoria

Natural History Society of British Columbia

American Institute of Park Executives

Alberta Provincial Liberal Association

The Vancouver Institute

*Association of Chief Engineers, Calgary*

The National Council of Women of Canada (1927)

Aldersyde Women's Institute, De Winton, Alberta

Medicine Hat Chamber of Commerce (1927)

*Question 9:* How many permits were taken out by visitors to Banff National Park in the previous five years, to permit them to go into the wilderness? Was a record kept of how many were in the parties and how far they went off the beaten trails?

Please give the same information for the following Parks: Jasper, Kootenay, Mount Revelstoke, Glacier, and Yoho National Parks.

Answer:

TRAVEL PERMITS ISSUED (1960/61 TO 1964/65)

		Permits Issued (1 permit per party)	Number of Persons
BANFF	TOTAL	11,399	35,202
	AVG/YR.	2,280	7,040
	AVG/PARTY		3
JASPER	TOTAL	1,520	6,791
	AVG/YR.	304	1,358
	AVG/PARTY		4
KOOTENAY	TOTAL	68	276
	AVG/YR.	14	55
	AVG/PARTY		4
MT. REVELSTOKE	TOTAL	41	137
	AVG/YR.	8	27
	AVG/PARTY		3
GLACIER	TOTAL	779	2,919
	AVG/YR.	156	584
	AVG/PARTY		4
YOHO	TOTAL	1,428	5,927
	AVG/YR.	286	1,185
	AVG/PARTY		4

No record was kept of how far these parties went off the beaten trails. This would vary from 3 to 75 miles depending on the duration of the trip involved.

Additionally, while no record has ever been kept of day hikers, trail riders and fishermen using hiking and riding trails in areas where travel permits are not required, many thousands of these people are observed on the trails in all parks each year.

The number of current users of national parks is no criteria for judging the value of wilderness or the extent to which it should be set aside. If the number of users of national parks 70 or 80 years ago were used as the guide for setting aside national parks at that time, we would have a small park system today indeed, instead of the present world-famous system, contributing mightily to outdoor experience for an increasingly urbanized society and to tourist revenue generally.

We should perhaps look at the attitude toward wilderness preservation in more economically advanced and densely populated countries such as the United States. Here they have found it necessary recently to enact special wilderness legislation to not only set aside wilderness in national parks, but also to set aside wilderness in federal lands originally intended for multi-purpose uses such as the national forest lands.

INFORMATION FOR SENATE FINANCE COMMITTEE

Question No. 10: What is the total acreage of the following townsites: 1. Banff; 2. Jasper; 3. Lake Louise. What plans if any are contemplated to increase the size of these townsites by making more building or commercial lots available. Be specific.

Answer No. 10: Since none of these are incorporated townsites, they have no firmly established limits or boundaries. Banff and Jasper each have surveyed lot plans which generally define the limits of the park townsite. Lower Lake



Louise is currently being surveyed as a new Visitor Service Centre. Upper Lake Louise has a surveyed lot plan which is now being replanned for a primary function as a day centre.

The developed area in Banff townsites comprises 325 acres. Contiguous with this developed portion are a number of surveyed but undeveloped lots which are currently being reassessed and resurveyed in accordance with the development plan, the objective being to provide services to those lots which can be made usable at reasonable cost.

It is expected that about 24 building lots will be made available shortly for private residences through such resurvey. Ultimately an additional 65 residence lots, plus a number of special lots for low-rental staff accommodations and further motel sites, will be made available mainly within present serviced areas.

The developed area in Jasper comprises 359 acres. Adjacent lands here are also being surveyed in accordance with an overall development plan to provide a compact townsites with an economical layout of streets, lots and services.

This will also result in additional residence and motel lots, within and adjoining serviced areas, to supplement a number of vacant lots available in existing surveyed land.

It is not anticipated that either Banff or Jasper townsites will be greatly increased in land area in the future, as the first step in providing more available space in both cases is to make better use of already developed land.

Lower Lake Louise is being developed as a Visitor Service Centre. Approximately 100 acres, exclusive of transportation routes and buffer areas, are being surveyed for development as commercial structures and residences for permanent and temporary staff who will be employed in the area, providing the necessary public services. This is the first of several such Visitor Service Centres.

*Question No. 11:* The Policy Statement of September 18th, 1964 states that the National Parks are being zoned into three area classifications. Have the boundaries of these zones been defined in:

- (a) Banff National Park
- (b) Jasper National Park

If these zone boundaries have not been defined, when will they be so defined.

*Answer No. 11:* The first step in defining the main wilderness zones has been carried out in Banff and Jasper National Parks. These are map designations based on definable topographic regions. Due to the vast areas involved and the generally meagre knowledge on the biological entities, the zones cannot be considered as finalized. These are really the prime areas as known, and indicate park lands which should not be opened to vehicular traffic.

The second step in defining the development areas in the residual semi-wilderness zone is progressing, as overall plans for these parks are being assembled. It will likely be a number of years yet before this work is complete. In the interval, development will proceed on those areas whose best use can be clearly recognized and for which there is a demand consistent with the overall National Parks Policy.

#### NATIONAL PARKS—QUESTION No. 12

*Question No. 12:* The Trans Canada Highway traverses four National Parks. At the present time any person taking a motor vehicle through these National Parks must secure a permit which costs \$2.50 which, in effect, makes the section of the Trans Canada Highway through the Parks a toll road. How much money was collected from this source in each of the last five years?

*Answer:* A park motor licence for an automobile, which is good for any number of trips in any park during the fiscal year in which it is purchased, costs \$2.00, not \$2.50, as mentioned. The money collected at the gateways in Banff, Yoho, Glacier and Mount Revelstoke National Parks for all types of vehicles during the last five fiscal years was as follows:

<i>Fiscal Year</i>	<i>Banff</i>	<i>Yoho</i>	<i>Mt. Revelstoke and Glacier</i>	<i>Total</i>
1960-61	\$260,200	\$13,630	(1)	\$273,830
1961-62	269,924	24,289	(1)	294,213
1962-63	358,605	28,749	120,688	508,042
1963-64	439,783	7,816 <sup>(2)</sup>	247,799	695,398
1964-65	448,027	9,623	245,230	702,880
	<hr/> \$1,776,539	<hr/> \$84,107	<hr/> \$613,717	<hr/> \$2,474,373

(1) The Trans Canada Highway was not completed in these parks until 1962.

(2) Revenue declined because many visitors purchased their park motor licences at the gateway at Mount Revelstoke National Park.

*Question:* Is there any contemplation that this toll will be removed in the near future?

*Answer:* There are no plans to discontinue park motor licence fees which have been in effect since 1928. These fees are collected for administrative control purposes and to cause the visitor to realise that the park is a special area to be wisely used and held in trust for future generations. This is spelled out on pages 28 and 29 of the National Parks Policy Statement. In addition, these fees offset partly the cost of constructing and maintaining the highways and roads in the National Parks, which have been built entirely at federal expense. The Trans Canada Highway alone in Banff, Yoho, Glacier and Mount Revelstoke National Parks is 116 miles long. The fees also help to offset the cost of providing, free of charge to visitors, such facilities as picnic tables and primitive campgrounds. The amount of revenue received from park motor licences does not come near meeting the cost of providing highways, roads and the other facilities mentioned. On the other hand, the provinces levy gasoline taxes and motor vehicle licence fees for all vehicles travelling on roads within provincial boundaries. Furthermore, the provinces retain all taxes collected on gasoline sold in the national parks, which are quite substantial. Until such time as the provinces are prepared to turn over to the Federal Government the revenue collected from the sale of gasoline in the parks—and they have shown no inclination to do so—it would be unfair to the Canadian taxpayers who do not travel through the parks to consider discontinuing the sale of park motor licences.

It should be stated that the collection of entrance fees is not confined to the National Parks of Canada. The provinces of Saskatchewan, Ontario, Manitoba and Quebec charge fees for vehicles entering provincial parks. We also know that the governments of the United States, New Zealand, Australia, Kenya and South Africa charge fees at their parks. Moreover 24 of the United States of America charge entrance fees to State parks. The trend is definitely toward the collection of fees and toward users paying for at least part of the upkeep of parks maintained by all levels of government.

*Question:* What is the legal basis for the collection of this toll?

*Answer:* Park motor licences are authorized under the National Parks Highway Traffic Regulations which are made pursuant to the National Parks Act.

June 1, 1965.

## STANDING COMMITTEE

## OFFICE CONSOLIDATION

of the

NATIONAL PARKS  
HIGHWAY TRAFFIC REGULATIONS

Established by P.C. 1960-650

and amended by P.C. 1961-413; P.C. 1961-811; P.C. 1961-1616;  
P.C. 1962-969; P.C. 1962-1596; P.C. 1963-1053.

## NATIONAL PARKS ACT

National Parks Highway Traffic Regulations  
P.C. 1960-650

AT THE GOVERNMENT HOUSE AT OTTAWA

THURSDAY, the 12th day of MAY, 1960

PRESENT:

HIS EXCELLENCY THE GOVERNOR GENERAL IN COUNCIL

His Excellency the Governor General in Council on the recommendation of the Minister of Northern Affairs and National Resources, pursuant to the National Parks Act, is pleased hereby to revoke the Regulations governing highway traffic in the National Parks of Canada made by Order in Council P.C. 1954-1849 of 1st December, 1954, as amended, and to make the annexed Regulations Governing Highway Traffic in the National Parks of Canada in substitution therefor.

REGULATIONS GOVERNING HIGHWAY TRAFFIC IN THE  
NATIONAL PARKS OF CANADA

1. These Regulations may be cited as the *National Parks Highway Traffic Regulations*.

*Interpretation*

2. In these Regulations,

- (a) Revoked P.C. 1963-1053, July 7, 1963.
- (b) "highway" means a highway in a Park and includes a common or public highway, road, street, avenue, parkway, driveway, lane, square, place, bridge, viaduct or trestle within a Park intended for or used by the general public for the passage of vehicles.

New. P.C. 1962-969, July 11, 1962.

- (b) "fiscal year" means the period commencing on the first day of April in any year and terminating on the thirty-first day of March next following;
- (c) "motor vehicle" means a vehicle that is driven, propelled or drawn by any means other than by muscular power but does not include a vehicle of a railway that operates on rail;
- (d) "Park" means any National Park of Canada;
- (e) "park" in relation to a motor vehicle means the standing of a motor vehicle otherwise than while actually engaged in loading or unloading;
- (f) "Park Motor Licence" means a licence issued by the Superintendent under these Regulations;



- (g) "sidewalk" means a sidewalk in a Park and includes any walk or path bordering a highway and constructed for pedestrian use;
- (h) "single trip receipt" means a receipt for the payment of a Park Motor Licence fee authorizing its holder to operate for one single trip a motor vehicle on a highway and issued by the Superintendent pursuant to these Regulations;
- (i) "Superintendent" means the Superintendent of a Park and includes any person authorized to act for or in the name of the Superintendent; and

Revoked and new. P.C. 1963-1053, July 11, 1963.

- (j) "trailer" means a vehicle that is designed to be drawn upon a highway by a motor vehicle except
  - (i) an implement of husbandry,
  - (ii) a side car attached to a motor cycle, or
  - (iii) a disabled motor vehicle that is towed by a tow car.

#### *Licences*

3. (1) No person shall operate a motor vehicle on a highway unless
    - (a) he holds all licences and permits that he is, by the laws of the province in which the highway is situated, required to hold in order to operate the motor vehicle in that province; and
    - (b) the motor vehicle is registered and equipped as required by the laws of the province in which the highway is situated.
  - (2) No person shall operate on a highway any motor vehicle to which is attached, for the purposes of being drawn or propelled by that motor vehicle, any vehicle other than a sidecar of a motorcycle or a trailer.
  4. (1) No person shall operate a motor vehicle on a highway otherwise than in accordance with the laws of the province in which the highway is situated.
    - (2) Notwithstanding subsection (1), in the event of any inconsistency between the provisions of these Regulations and the law of a province in which a highway is situated, the provisions of these Regulations prevail to the extent of the inconsistency.
  5. (1) A person who resides outside a Park shall not operate or use a motor vehicle within a Park listed in the Schedule unless
    - (a) he holds a Park Motor Licence; or
    - (b) he has paid a Park Motor Licence fee for one single trip in the Park and holds during the trip a single trip receipt.
    - (2) Subsection (1) does not apply to a person who
      - (a) owns land within the boundaries of Point Pelee National Park, a member of his household, his employee, agent and lessee;
      - (b) holds a valid timber permit to cut and remove unmanufactured timber in Riding Mountain National Park issued pursuant to the *National Parks Timber Regulations*;
      - (c) operates a motor vehicle for the purpose of carrying out work within a Park under contract with Her Majesty in right of Canada, if the Superintendent has been notified of the serial and licence number of the motor vehicle, or
- New. P.C. 1963-1053, July 11, 1963.
- (d) operates a school bus for the purpose of transporting to and from a school in a Park children some of whom are children of employees of Her Majesty in right of Canada.

Revoked and new. P.C. 1963-1053, July 11, 1963.

(3) The Superintendent may issue a Park Motor Licence or a single trip receipt to a person upon payment of the fee set out in the Schedule.

(4) Every person to whom a Park Motor Licence, in the form of a sticker, is issued, shall affix the sticker and keep it affixed to the inside of the windshield of the motor vehicle on the lower left-hand or lower right-hand corner.

New. P.C. 1962-969, July 11, 1962.

(5) A Park Motor Licence is valid for the fiscal year for which it is issued and may be used for any number of trips during that fiscal year.

New. P.C. 1962-969, July 11, 1962.

(6) A Park Motor Licence issued to a person in Banff, Jasper, Yoho, Kootenay, Glacier or Mount Revelstoke National Park may be used.

- (a) in any Park, in the case of a licence issued in respect of an automobile, a motorcycle or a truck having a carrying capacity of not more than one ton and used for the transportation of passengers only;
- (b) in any Park named in this subsection in the case of a licence issued in respect of a bus or a truck other than a truck described in paragraph (a) or (c); and
- (c) in Kootenay National Park, between the West Gate and Radium Hot Springs Townsite in the case of a licence issued for that area only in respect of a truck.

New. P.C. 1962-969, July 11, 1962.

(7) A single trip receipt issued to a person in Banff, Jasper, Yoho, Glacier or Mount Revelstoke National Park, and a single trip ticket issued in Kootenay National Park that is not limited to a trip between the West Gate and Radium Hot Springs Townsite is valid for a single trip through all those Parks.

Revoked and new. P.C. 1963-1053, July 11, 1963.

6. (1) Except as provided in this section and in sections 7, 7A and 8, no Park Motor Licence shall be issued for the operation of a truck on highways in Banff, Jasper, Yoho, Kootenay, Glacier or Mount Revelstoke National Park.

(2) The Superintendent may issue a Park Motor Licence for the operation of

- (a) a truck where in his opinion the operation of such truck is essential for the conduct of business in the Park; or

Revoked and new. P.C. 1961-413, March 23, 1961.

- (b) a light truck not exceeding one ton in carrying capacity used only for the conveyance of passengers and for the pulling of a trailer.

(3) Revoked. P.C. 1963-1053, July 11, 1963.

(4) Revoked. P.C. 1963-1053, July 11, 1963.

Revoked and new. P.C. 1963-1053, July 11, 1963.

7. (1) The Superintendent may issue a Park Motor Licence for the operation over the Banff-Windermere Highway in Banff and Kootenay Parks of a truck in respect of the transportation of

- (a) logs and lumber during the period commencing on the first day of November in any year and terminating on the thirty-first day of March next following; and
- (b) any other chattel on any day of the year.

Revoked and new. P.C. 1963-1053, July 11, 1963.

(2) The Superintendent may issue a Park Motor Licence for the operation, during the period commencing on the fifteenth day of September in any year and terminating on the thirty-first day of March next following, of any truck

used in operations under a timber lease on provincial lands south and east of Kootenay Park on the portion of the Settlers Road in Kootenay Park and that portion of the Banff-Windermere Highway between the junction of that Road and that Highway and the west boundary of Kootenay Park.

Revoked and new. P.C. 1963-1053, July 11, 1963.

(3) No person shall operate a truck on the highways described in subsections (1) and (2)

- (a) the overall width of which, including its load, exceeds eight feet;
- (b) the overall length of which, including its load, exceeds
  - (i) thirty-five feet in the case of a single truck, or
  - (ii) sixty feet in the case of a combination vehicle consisting of any combination of a truck, truck-tractor, semi-trailer or trailer;
- (c) the overall height of which, including its load, exceeds twelve feet six inches;
- (d) the gross weight of which, including its load and driver, is not in compliance with the weight provisions set out in subsections (4), (5) and (6); or
- (e) between the hours of seven o'clock in the forenoon and seven o'clock in the afternoon during the period commencing on the first day of May in each year and terminating on the thirtieth day of September next following, both days inclusive.

New. P.C. 1963-1053, July 11, 1963.

(4) Subject to subsection (5), no truck or combination vehicle shall be so loaded that any axle on that truck or combination vehicle carries a gross weight in excess of eighteen thousand pounds.

New. P.C. 1963-1053, July 11, 1963.

(5) No vehicle equipped with two axles spaced seven feet apart or less shall be so loaded as to carry a gross weight in excess of thirty-two thousand pounds.

New. P.C. 1963-1053, July 11, 1963.

(6) No truck or combination vehicle having pneumatic tires shall be so loaded that the gross weight on any wheel of that truck or combination vehicle exceeds six hundred pounds per inch of width of tire.

New. P.C. 1963-1053, July 11, 1963.

7A. (1) The Superintendent may issue a Park Motor Licence for the operation of a truck over the Banff-Jasper Highway in Banff and Jasper Parks.

New. P.C. 1963-1053, July 11, 1963.

(2) No person shall operate a truck on the highway described in subsection (1)

- (a) the overall width of which, including its load, exceeds eight feet;
- (b) the overall length of which, including its load, exceeds forty feet;
- (c) the overall height of which, including its load, exceeds twelve feet six inches;
- (d) the gross weight of which, including its load and driver, is not in compliance with the weight provisions set out in subsection (3) and (4); or
- (e) between the hours of seven o'clock in the forenoon and seven o'clock in the afternoon during the period commencing on the first day of May in each year and terminating on the thirtieth day of September next following, both days inclusive.

New. P.C. 1963-1053, July 11, 1963.

(3) Subject to subsection (4), no truck shall be so loaded that any axle on that truck carries a gross weight in excess of eighteen thousand pounds.



New. P.C. 1963-1053, July 11, 1963.

(4) No vehicle equipped with two axles spaced seven feet apart or less shall be so loaded as to carry a gross weight in excess of forty thousand pounds.

New. P.C. 1963-1053, July 11, 1963.

(5) No person shall operate on the highway described in subsection (1) a truck or truck-tractor to which there is attached a trailer or semi-trailer

Revoked and new, P.C. 1963-1053, July 11, 1963.

8. (1) The Superintendent may issue a Park Motor Licence for the operation of a truck over the Jasper-Yellowhead Highway in Jasper Park.

Revoked and new. P.C. 1963-1053, July 11, 1963.

(2) No person shall operate a truck on a highway described in subsection (1)

- (a) the overall height of which, including its load, exceeds twelve feet six inches;
- (b) the weight of which, including its load and driver, exceeds seven tons; or
- (c) between the hours of seven o'clock in the forenoon and seven o'clock in the afternoon during the period commencing on the first day of May and terminating on the thirtieth day of September next, both days inclusive.

#### *Dimensions of Motor Vehicles*

9. No person shall drive or operate a bus

- (a) that exceeds thirty-five feet in overall length or eight feet in width on
  - (i) Highway Number 1A in Banff and Yoho Parks;
  - (ii) the road leading from the Trans-Canada Highway to the Chateau Lake Louise;
  - (iii) the Banff-Jasper Highway;
  - (iv) the Edmonton-Jasper Highway and the road leading from the said Highway to Jasper Park Lodge;
  - (v) the Banff-Windermere Highway between Mount Eisenhower Junction in Banff Park and the western boundary of Kootenay Park; or

New. P.C. 1963-1053, July 11, 1963.

- (vi) the road leading from the Trans-Canada Highway to the Mount Norquay Chalet; or

- (b) that exceeds thirty feet in overall length or eight feet in width on any highway in Banff, Jasper, Kootenay or Yoho Parks other than a highway referred to in paragraph (a).

10. No person shall drive or operate a truck

- (a) that exceeds forty-five feet in overall length or eight feet in width on that section of the Jasper-Edmonton Highway in Jasper Park between the eastern boundary of the Park and the Townsite of Jasper;

Revoked and new. P.C. 1963-1053, July 11, 1963.

- (b) that exceeds twenty-six feet in overall length or eight feet in width if such motor vehicle is used for the conveyance of gasoline, lubrica-

tion oil, fuel oil or liquefied petroleum gas on any highway in Banff, Jasper, Kootenay or Yoho Parks other than

- (i) that section of the Jasper-Edmonton Highway in Jasper Park between the eastern boundary of the Park and the Townsite of Jasper, and
- (ii) the Banff-Windermere Highway in Banff and Kootenay Parks; or

Revoked and new. P.C. 1963-1053, July 11, 1963.

- (c) that exceeds twenty-four feet in overall length or eight feet in width, if such motor vehicle is used for any purpose other than those specified in paragraph (b), on any highway in Banff, Jasper, Kootenay or Yoho Parks other than those referred to in subparagraphs (i) and (ii) of paragraph (b).

(d) Revoked. P.C. 1963-1053, July 11, 1963.

11. No person shall drive or operate a combination passenger automobile and house trailer

- (a) that exceeds fifty feet in overall length or eight feet in width on
  - (i) the Edmonton-Jasper Highway; or
  - (ii) the Banff-Windermere Highway between Mount Eisenhower Junction in Banff Park and the western boundary of Kootenay Park; or
- (b) that exceeds forty feet in overall length or eight feet in width on the Banff-Jasper Highway in Banff and Jasper Parks.

12. No person shall operate a bus, truck or combination passenger automobile and house trailer

- (a) that exceeds fifty feet in overall length or eight feet in width on highways in Waterton Lakes, Elk Island, Prince Albert, Riding Mountain, Point Pelee, Fundy and Prince Edward Island Parks; or
- (b) that exceeds forty feet in overall length or eight feet in width on the Cabot Trail in Cape Breton Highlands Park.

13. Revoked. P.C. 1963-1053, July 11, 1963.

14. Sections 6 to 13 do not apply to any portion of the Trans-Canada highway within a Park.

new. P.C. 1963-1053, July 11, 1963.

14A. No person shall operate on any highway within a park a truck the overall height of which, including its load, exceeds thirteen feet six inches.

#### *Trailers*

15. (1) No person shall use within a Park a lavatory, wash basin, sink or similar appliance constructed to permit the discharge of liquid or solid waste matter directly from the trailer to the ground.

(2) The lavatory in any trailer shall be equipped with a water-tight metal removable receptacle for the retention of waste matter, and all doors, windows or other apertures connected with such lavatory shall be of a fly-proof construction.

(3) Wash basins, sinks or other similar appliances in trailers shall be provided with a removable metal container for the retention of all waste.

(4) No person shall deposit liquid or solid waste matter any place in park other than in such places as may be designated by the Superintendent.

(5) No person shall park a trailer on any location within a Park other than a location approved by the Superintendent.

*Traffic Signs and Devices*

16. (1) The Superintendent may mark and erect on or along a highway a traffic sign or device that

- (a) prescribes rates of speed;
- (b) regulates or prohibits the parking of horses or the parking of all or any class of motor vehicles;
- (c) prescribes load limits and dimensions for all or any class of motor vehicles;
- (d) designates the highway as a one-way highway;
- (e) requires motor vehicles to stop;
- (f) closes the highway to all or any class of motor vehicles;
- (g) limits the hours during which the highway may be used;
- (h) regulates pedestrian traffic;
- (i) limits the use of the highway for horses or for a specific class or classes of motor vehicles;
- (j) designates a taxi or a cab stand; or
- (k) regulates, directs or controls in any other manner the use of the highway by motor vehicles, horses or pedestrians.

(2) No person other than the Superintendent shall mark or erect any traffic sign or device on or along a highway.

(3) No person other than the Superintendent shall remove or deface any traffic sign or device on or along a highway.

(4) Every person using a highway shall obey the instructions on a traffic sign or device.

(5) Subsection (4) does not apply to

- (a) a person driving or operating a motor vehicle for the Park fire protection service when proceeding to a fire; and
- (b) a person driving or operating a police motor vehicle, ambulance or motor vehicle belonging to the Department when proceeding to the scene of an accident, or when using the motor vehicle for any emergency purpose.

Revoked and new. P.C. 1963-1053, July 11, 1963.

16A. Notwithstanding anything in these Regulations, the Superintendent may issue a single trip receipt for the operation of a motor vehicle having dimensions or carrying a load in excess of the dimensions or load permitted by these Regulations and a person in possession of that receipt may operate that motor vehicle for the single trip authorized by the receipt along such portion of the highway and under such conditions as the receipt specifies.  
New. P.C. 1962-1596, Nov. 8, 1962.

16B. Any traffic sign or device in a National Park bearing the words "Government of Canada", "National Parks of Canada" or any abbreviation thereof or purporting to have been erected by or under the authority of the Superintendent shall *prima facie* be deemed to have been erected pursuant to these Regulations.

17. (1) The Superintendent may by order in writing prohibit a person from

- (a) parking a motor vehicle on a highway; or
- (b) loading or unloading a motor vehicle on a highway.

(2) A person who receives a copy of an order made by the Superintendent under subsection (1) shall comply with the order.



18. The driver of a motor vehicle on a highway shall comply with any traffic directions given to him by a police constable or any person appointed by the Superintendent to direct the movement of motor vehicles.

19. Every traffic sign or device marked or erected within a Park prior to the coming into force of these Regulations shall be deemed to have been marked or erected pursuant to these Regulations.

20. Every person operating a motor vehicle within a Park shall upon the request of a police constable stop and give any reasonable information required by the police constable respecting the motor vehicle.

### *Parking*

21. Where an area in a Park is by sign designated as an area where parking is reserved for persons holding permits or designated as an area where parking is prohibited except under a permit, no person shall park a motor vehicle in that area unless

- (a) he holds a permit authorizing him to park in the area;
- (b) there is attached to and exposed on the motor vehicle the label furnished with the permit; and
- (c) he parks in accordance with the terms of his permit.

22. Where an area in a Park is by sign designated as an area where parking is reserved for a class of persons, a person shall not park in the area unless he is a member of that class.

23. Where an area in a Park is by sign designated as an area where parking is permitted for a period of time, no person shall park a vehicle in the area for any greater period of time than that indicated by the sign.

24. (1) The Superintendent may issue permits and labels for the purpose of these Regulations.

(2) A permit issued under these Regulations is valid for the period stated thereon or until revoked and a label furnished with the permit is valid only during the period that the permit is valid.

25. No person shall park a motor vehicle within twenty feet of any highway intersection or within ten feet of a water hydrant or fire plug within a Park.

26. No person shall park a motor vehicle on any highway so as to

- (a) obstruct the driveway leading to any private residence or business premises; or
- (b) interfere with any motor vehicle that is loading or unloading goods or passengers.

New. P.C. 1962-1596. Nov. 8, 1962.

(2) No person shall park a motor vehicle on a sidewalk unless he is authorized to do so by the Superintendent.

27. The Superintendent or a police constable may at the expense of the owner cause any motor vehicle parked or left in contravention of these regulations or the traffic signs or devices erected pursuant thereto, to be moved or taken to and stored in a suitable place.

### *Speed*

28. No person shall drive a motor vehicle on a highway at a rate of speed in excess of the speed limit indicated by a traffic sign for the highway.

*Bicycles*

29. (1) No person shall ride a bicycle upon a highway at a rate of speed greater than is reasonable and proper, having regard to the nature, condition and use of the highway and the amount of traffic thereon.

(2) Every person riding a bicycle shall ride as close as possible to the right-hand edge or curb of the highway and when riding with other persons on a highway shall not ride more than two abreast.

30. No person shall ride a bicycle upon any sidewalk in a townsite or subdivision within a Park.

31. (1) Every person riding a bicycle in a Park shall affix to the bicycle and keep affixed thereto at all times a suitable alarm bell, gong or horn which he shall sound when about to pass a motor vehicle or person travelling in the same direction as the bicycle.

(2) No siren or other contrivance for sounding an alarm, except a bell, gong or horn shall be used on a bicycle while it is being ridden on any highway.

*Sidewalks and Boulevards*

32. (1) Where an access driveway is not provided to a lot within a townsite or subdivision within a Park or where a driveway is not conveniently located, and a person desires to drive or ride a horse or motor vehicle from the highway to the lot he shall

(a) construct across the drain, gutter or water course skirting the place where he intends to enter the lot a good and sufficient bridge of planks or other material satisfactory to the Superintendent; and

(b) construct over the sidewalk or boulevard to be crossed and of the full width thereof, a crossing of planks or other material satisfactory to the Superintendent sufficient to prevent injury to the sidewalk or boulevard.

(2) The temporary crossing described in subsection (1) shall be removed forthwith after it has served its purpose.

33. Except as authorized by these Regulations no person shall ride, drive, lead or back any horse or motor vehicle across or along any sidewalk or boulevard within a park.

*Motorcab, Taxi and Express Stands*

34. (1) No chauffeur shall park a motor vehicle for hire at any place within a park other than a place designated by the Superintendent as a taxi or cab stand.

(2) A person who operates a motor vehicle for hire shall not solicit passengers on any highway or sidewalk other than a highway or sidewalk at or adjacent to a taxi or cab stand or his place of business.

35. No person shall leave any horse unattended on a highway unless the horse is securely tied to a fixed object or to a heavy weight.

*Fire and Hiking Trails*

New. P.C. 1962-1596, Nov. 8, 1962.

35A. (1) No person, other than a person operating a vehicle in accordance with a permit issued under subsection (2), shall operate a motor vehicle on a trail intended for pedestrians and persons travelling on horseback or with a pack-horse.

(2) The Superintendent may issue a permit authorizing any person to operate a vehicle described in the permit on a trail described in subsection (1) for the whole or part of the period of any year during which the ground is covered with snow.

*Snow Equipment*

New. P.C. 1962-1596, Nov. 8, 1962.

35B. (1) No person shall drive a motor vehicle in Mount Revelstoke National Park or Glacier National Park in the period of any year during which the ground is covered with snow unless the vehicle is equipped with snow tires or carries adequate tire chains.

(2) During a period described in subsection (1), the Superintendent of Mount Revelstoke National Park or Glacier National Park may require any person driving a motor vehicle to satisfy him that the vehicle is equipped with snow tires or is carrying adequate chains, and no person shall drive that vehicle further in the Park until after he complies with that requirement.

*Miscellaneous*

36. No person shall coast or slide upon any toboggan or sled along or across a highway or public place within a park not set aside by the Superintendent for that purpose.

37. (1) Subject to subsection (2) no person shall haul any dead animal, offal, night soil or other offensive matter or thing on a highway in a townsite or subdivision during the hours of daylight without the permission of the Superintendent.

(2) The owner of any animal which dies or has been killed on any highway shall forthwith cause the carcass to be removed therefrom and suitably disposed of.

38. No person shall place any material or commodity of any description on or over any highway or sidewalk which might cause personal or property damage or in any way interfere with traffic on the highway or sidewalk.

39. No person shall drive or ride any motor vehicle, horse or other animal upon any highway at a rate of speed greater than a reasonable and proper rate of speed, having regard to the nature, condition and use of the highway and the amount of traffic thereon.

40. (1) No person shall draw or tow by a motor vehicle on a highway a person riding upon a sled, toboggan, skis, bicycle or any other conveyance other than a trailer.

(2) No person shall skate or roller skate on any highway in a townsite or subdivision.

**SCHEDULE****FEES FOR PARK MOTOR LICENCES IN THE NATIONAL PARKS OF CANADA**

Revoked and new. P.C. 1962-969, July 11, 1962.

1. Automobile or motorcycle entering Banff, Jasper, Yoho, Kootenay, Glacier and Mount Revelstoke National Parks

(a) licence for vehicle .....	\$ 2.00
(b) licence for vehicle with trailer attached .....	3.00
(c) single trip receipt, available only from November 1st in any year to March 31st next following,	
(i) fee for vehicle .....	.50
(ii) fee for vehicle with trailer attached .....	1.00

Revoked and new P.C. 1962-969, July 11, 1962.



2. Truck having a carrying capacity of not more than one ton, used for the transportation of passengers only, entering Banff, Jasper, Yoho, Kootenay, Glacier and Mount Revelstoke National Parks

(a) licence for truck .....	2.00
(b) licence for truck with trailer attached .....	3.00

3. Automobiles and motorcycles entering Waterton Lakes, Prince Albert, Riding Mountain, Elk Island and Point Pelee Parks—

Licence good for any number of trips during fiscal year ending March 31 with trailer attached .....	1.00
Fee for each single trip during fiscal year .....	2.00
with trailer attached .....	.25
Revoked and new. P.C. 1961-413, March 23, 1961.	.50

4. Trucks having a carrying capacity of not more than one ton used for the transportation of passengers only entering Waterton Lakes, Prince Albert, Riding Mountain, Elk Island and Point Pelee Parks—

Licence good for any number of trips during fiscal year ending March 31 with trailer attached .....	1.00
Fee for each single trip during fiscal year .....	2.00
with trailer attached .....	.25
Revoked and new. P.C. 1962-969, July 11, 1962.	.50

5. A bus entering Banff, Jasper, Yoho, Kootenay, Glacier or Mount Revelstoke National Park

(a) single trip fee for bus where the Superintendent is satisfied that	
(i) the bus is owned or hired by	
(A) a university, school or other educational institution, or	
(B) a welfare agency, service club, fraternal group or other non-profit organization,	
(ii) the purpose of entering the Park is a visit by the staff, students or members of the institution or organization or by the persons for whose benefit the organization is operated,	
(iii) the visit has not been arranged for the purpose of bringing financial gain to the institution or organization, and	
(iv) the principal purpose of the institution or organization is not the preparation of tours for, the conducting of tours for or the transporting of its staff, students or members or the persons for whose benefit the organization is operated .....	2.00
(b) licence for bus, where bus is on a regular interprovincial schedule in these Parks based on mileage travelled on highways during the fiscal year	
(i) for first 10,000 miles or part thereof payable on issuance of licence .....	525.00
(ii) for each additional 10,000 miles or part thereof, payable upon expiration of licence .....	525.00
(c) fee for bus other than a bus described in paragraph (a) or (b), for each passenger mile .....	$\frac{1}{2}\text{¢}$

6. Buses entering Waterton Lakes, Prince Albert, Riding Mountain, Elk Island and Point Pelee Parks—single trip .....

.50

(NOTE: The fees in section 6 are subject to ten percent discount if a regular service is maintained and the fees covering the estimated number of trips are paid in advance.)

7. (1) Trucks entering Kootenay National Park at the West Gate and proceeding not farther than Radium Hot Springs Townsite:

(a) with carrying capacity up to and including two tons	
(i) single trip .....	.25
(ii) fifty trips .....	10.00
(iii) licence good for any number of trips during fiscal year ending March 31 .....	20.00
(b) with carrying capacity exceeding two tons	
(i) single trip .....	.50
(ii) fifty trips .....	15.00
(iii) licence good for any number of trips during fiscal year ending March 31 .....	25.00
(c) trucks having a carrying capacity of not more than two tons, used for the transportation of passengers only between the Western Gate of Kootenay National Park and Radium Hot Springs Townsite Licence good for any number of trips during fiscal year ending March 31 .....	2.00

(2) Revoked. P.C. 1962-969, July 11, 1962.

New. P.C. 1962-969. July 11, 1962.

7A. Trucks entering Banff, Jasper, Yoho, Kootenay, Glacier and Mount Revelstoke National Parks, other than those described in Item 7,

(a) with carrying capacity up to and including two tons	
(i) single trip fee .....	1.00
(ii) fifty trip fee .....	25.00
(iii) licence .....	50.00
(b) with carrying capacity exceeding two tons	
(i) single trip fee .....	2.00
(ii) fifty trip fee .....	50.00
(iii) licence .....	100.00

8. (1) Trucks entering Waterton Lakes, Prince Albert, Riding Mountain, Elk Island and Point Pelee Parks, other than those described in subsection (2):

single trip .....	.50
with trailer attached—single trip .....	1.00

(NOTE: Fees for trucks entering Waterton Lakes, Prince Albert, Riding Mountain, Elk Island and Point Pelee Parks are subject to ten percent discount if a regular service is maintained and fees covering the estimated number of trips per month paid in advance.)

(2) Trucks entering Riding Mountain National Park at the South Gate and proceeding not farther than Mile 9 on Number 10 Highway;

(a) with carrying capacity up to and including two tons	
(i) single trip .....	.25
(ii) fifty trips .....	10.00
(iii) licence good for any number of trips during fiscal year ending March 31 .....	20.00

## (b) with carrying capacity exceeding two tons

(i) single trip .....	.50
(ii) fifty trips .....	15.00
(iii) licence good for any number of trips during fiscal year ending March 31 .....	25.00

*Question 13:* Under what Act does the Minister of Northern Affairs have authority to interfere in the right of the Province with respect to education?

*Answer:* The Minister of Northern Affairs does not have any authority to interfere in the right of a Province with respect to education. However, in the Province of Alberta the question of education in the national parks is specifically covered in a memorandum of agreement between the Government of the Province of Alberta and the Government of the Dominion of Canada dated November 23, 1918. This memorandum provides that educational matters will continue under the exclusive jurisdiction of the Province. It further provides that the Dominion will give a free lease of *available* park lands for school sites so long as the property is used for school purposes. Thus, the Minister clearly has the responsibility to determine what lands in a national park can properly be made available for school purposes.

There has never been any question of the Department providing lands for schools required to serve the needs of those persons who reside within the boundaries of the national parks. The only questions likely to arise in this field would be with respect to requests for the use of national park lands for educational institutions intended primarily to serve persons other than residents of the national parks. Some land has been made available to Provincial authorities in the national parks for specific types of education institutions of primary benefit to persons other than residents of the national parks. However, the extent to which national park lands can be made available for such purposes is a matter of definite concern and interest to the Minister in light of his responsibilities for the administration, management and control of the national parks.

The National Parks Act and Regulations made under the Act authorize the Minister to grant leases both within and outside national park townsites for various purposes including schools, if the value of the land, exclusive of buildings and other improvements, is less than \$5,000. If the land is valued at more than \$5,000 approval of the Governor General in Council is required. The National Parks General Regulations also provide the Minister with authority to

- (a) approve all lease forms,
- (b) fix the rental for a parcel or lot of public land leased pursuant to the Regulations, and
- (c) ensure that every lease granted under the Regulations shall state the purposes for which the land described in the lease may be used and to ensure that such land shall not be used for any other purposes.

*Question 14:* What is the total cost of the Western Regional Office at Calgary? How many people are employed in this office? How many are at the senior executive or professional level? What authority does the chief executive have? Please define precisely.

*Answer:* (1) The total cost of the Western Regional Office at Calgary was, during 1964-65, as follows:

Operation and Maintenance .....	\$ 137,344
Capital .....	11,171
<b>TOTAL .....</b>	<b>\$ 148,515</b>



The sum of \$374,590 is allotted for 1965-66 as follows:

Operation and Maintenance .....	\$ 366,990
Capital .....	7,600
<b>TOTAL .....</b>	<b>\$ 374,590</b>

(2) There are 29 persons employed in the Western Regional Office at Calgary.

(3) There are 13 employees at the senior executive or professional level. They are:

- B. I. M. Strong, Chief of Division, NA & NR—(Regional Director)
- T. C. Fenton, Engineer 6 (Head, Engineering Section)
- R. W. Mathie, Engineer 5
- W. E. Bottomley, Technical Officer 9
- F. C. Browning, National Parks Officer 4 (Head, Parks Section)
- B. Sigurdson, Engineer 4
- I. F. Hilts, Engineer 4
- H. R. Webster, Biologist 3
- F. A. Dunphy, Engineer 3
- H. A. Tatro, Technical Officer 6 (Head, Historic Sites Section)
- G. Rochester—National Parks Officer 2
- T. N. Pollard—Personnel Administrator 2 (Administration Section—Personnel)

(3) J. A. Hynes—Departmental Accountant 4  
(Administration Section—Finance)

(4) *Financial Authority*: The Regional Director is responsible for the appropriation allotted for all Western National Parks and Western National Historic Parks and Sites. Under the allotment for Operation and Maintenance, he is authorized to transfer funds between the various Parks and Sites as the need arises and such action is in the Public interest. Under the Capital allotment, he is authorized to increase or decrease projects within a Park or Site and to transfer funds between Parks or Sites, providing such action is in the Public interest. However, he is not authorized to create new programs within his region.

At present, the Western Regional Office is operating within the financial authority delegated to the staff of the Supervising Engineer's Office for the Western Region as follows:

Supervising Engineer, Assistant Supervising Engineer and Accountant:

- (a) Authorization for payment of accounts, Prevailing Rate Paylists, contract claims, travel claims, and travel advances, and signing of encumbrances
- (b) Authority to certify accounts, prevailing rate paylists and contract claims

Supervising Engineer and Assistant Supervising Engineer: Authority to enter into construction and service contracts up to a limit of \$300 each and authorize purchase contracts up to a limit of \$300 each.

Accountant: Authorize purchase contracts not to exceed \$300 each.

Attached is the proposed signing authority for the Western Regional Office.

DEPARTMENT OF NORTHERN AFFAIRS AND NATIONAL RESOURCES SIGNING AUTHORITIES DELEGATED  
BY THE MINISTER UNDER SECTIONS 31 AND 32(a) OF THE FINANCIAL ADMINISTRATION ACT

Under Section 31, authorization for payment of: (a) accounts; (b) prevailing rate paylists; (c) staff pay certificates; (d) contract claims; (e) travel claims and travel advances; (f) advances other than travel; and (g) authorization for signing encumbrances.

Under Section 32(a) authority to certify: (a) accounts; (b) prevailing rate paylists; (c) contract claims.

Name and Branch or Division	Title	Limit of Authority	Under Section 31	Under Section 32(a)
<i>Natural and Historic Resources Branch</i>				
<i>ADD</i>				
Western Regional Office..... Calgary, Alberta.	Regional Director.....	National Parks and Historic Sites (Manitoba-Ontario border West)	—	(c)
	Assistant Regional Director.....	"	(e) (g)	(c)
	National Parks Supervisor.....	"	—	full
	Regional Engineer.....	"	—	full
	Assistant Regional Engineer.....	"	—	full
	Regional Accountant.....	"	(a) (b) (d) (e) (g)	(a) & (b)
	Assistant Regional Accountant.....	"	(a) (b) (d)	(a)
	Regional Personnel Officer.....	"	(c)	—
	Regional Forester.....	"	—	full

DEPARTMENT OF NORTHERN AFFAIRS AND NATIONAL RESOURCES DELEGATED AUTHORITY  
UNDER THE GOVERNMENT CONTRACT REGULATIONS

Name	Title	Location	Construction Contracts	Purchase Contracts	Service Contracts	Contract Increases
<i>Natural and Historic Resources Branch</i>						
<i>ADD</i>						
Western Regional Office..... (Man-Ont Border West)	Regional Director.....	Calgary, Alta.....	5,000	1,000	5,000	—
	Assistant Regional Director.....	Calgary, Alta.....	5,000	1,000	5,000	—
	Regional Engineer.....	Calgary, Alta.....	5,000	1,000	5,000	—
	Assistant Regional Engineer.....	Calgary, Alta.....	5,000	1,000	5,000	—

*Question No. 15:* How long was Professor Oberlander employed in preparing the Oberlander Report. What total payments did he receive in (a) salary, (b) expenses.

*Answer No. 15:* Dr. Oberlander did work on the townsite of Banff under contract, the price of which was based on the generally accepted scale of fees paid professional consultants and their assistants. The contract for the Urban Development Plan of Banff was in the amount of \$14,920. The actual expenditure was \$14,919, and covered \$13,035 for fees and \$1,884 for expenses. This study commenced in late 1960 and took approximately one year to complete.

A supplementary study of Banff through a further contract with Dr. Oberlander was carried out in 1962. This involved an expenditure of \$549.30, and covered \$378 for fees and \$171.30 for expenses, for a total payment to Dr. Oberlander of \$15,513.30 for the Banff studies.

*Question No. 16:* When will the Street Report on recreational needs and potentials be released.

*Answer No. 16:* In March of this year, the Honourable Arthur Laing released a report entitled, "Winter Recreation and the National Parks, A Management Policy and Development Program." This release contained much of the basic content of the report prepared under contract by Canadian Resort Services Ltd., under the direction of Richard H. Street. The Minister's release also advanced a policy on development for winter recreation in national parks, and designated the specific sites to be developed in Banff National Park, along with area plans.

The original consultant study, on which much of this information was based, was never intended for public use since it delved into the business operation of present private ski developments in Banff, and consequently contained information on expenditures and earnings and other confidential matters not believed to be of general public concern.

*Question No. 17:* On page 322—Vote 10, there is a reduction from \$200,000 to \$75,000 for the Campground and Picnic Area Development. What is the explanation of this reduction when the increasing number of tourists will require more rather than less of these facilities?

*Answer:* Vote 10 represents the Federal Government portion of a shared-cost program with the Provinces for construction of campgrounds and picnic areas in Provincial territory along the Trans-Canada Highway. The idea of the program was developed at the Twelfth Federal-Provincial Tourist Conference held in Ottawa in November, 1957. The purpose was to assist the Provinces in meeting the rapidly growing need for additional campgrounds and picnic areas along the Trans-Canada Highway and also to provide additional employment opportunities during the winter months. The full participation of all Provinces in the program would provide a minimum of 48 campgrounds and 96 picnic sites along the route of the Trans-Canada Highway. Federal assistance is limited to 50% of provincial costs up to a total maximum contribution for all provinces of \$2 million. Allocation of these funds is calculated on the mileage of the Trans-Canada Highway within the boundaries of each province. Campgrounds and picnic sites must be constructed at approximate intervals of 100 miles and 50 miles respectively. The termination date of the program has been



set at March 31, 1966. The following is a summary of fund allocation totalling, \$2,000,000 and the Federal contribution to March 31, 1965:

	Allocation	Expenditure to March 31, 1965
Newfoundland .....	\$ 241,379	\$ 166,729
Nova Scotia .....	137,931	124,137
Prince Edward Island .....	68,966	49,476
New Brunswick .....	172,414	139,380
Quebec .....	172,414	—
Ontario .....	517,241	—
Manitoba .....	137,931	137,931
Saskatchewan .....	172,414	139,739
Alberta .....	137,931	52,471
British Columbia .....	241,379	241,379
	<hr/> \$2,000,000	<hr/> \$1,051,242

*Question No. 18:* In votes 1, 15, 30 and 45 there is a total expenditure for Isolation and other allowances of \$1,361,400 and a second item for Travelling and Removal Expenses of \$1,217,000 for a total of \$2,578,400.

This seems to be a very substantial amount. What is the explanation?

*Answer:* This question is a trifle misleading as the prologue refers to estimates for 1965-66 and this question refers to expenditures. However, I am assuming that the question refers to estimates for 1965-66.

The amount of \$1,361,400 was quoted as the total for Isolation and Other Allowances. However, the total shown in the "Blue Book" is \$1,403,400, a difference of \$42,000.

Also, in the question, the amount of \$1,217,000 was quoted as the total for Travelling and Removal Expenses. However, the total shown in the "Blue Book" is \$1,559,650 (including field investigations \$204,500) a difference of \$342,650.

The following is a summary of "Blue Book" amounts:

Isolation and Other Allowances

Vote 1	\$14,800 (Departmental Administration)
Vote 15	42,000 (Natural and Historic Resources Branch)
Vote 30	17,000 (Water Resources Branch)
Vote 45	1,329,600 (Northern Administration Branch)

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\$1,403,400

Travelling and Removal Expenses (including field investigations)

Vote 1	\$ 59,000 (Departmental Administration)
Vote 15	321,850 (Natural and Historic Resources Branch)
Vote 30	190,000 (Water Resources Branch)
Vote 45	988,800 (Northern Administration Branch)

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\$1,559,650

The following are details by Vote:

*Vote I—Departmental Administration and Northern Co-Ordination and Research Isolation and Other Allowances—\$14,800*

(a) *Departmental Administration—\$6,000*

This is to provide for payments under the Isolated Posts Regulations to a staff of four of the Materiel and Supply Division at Fort Smith, N.W.T.

(b) *Northern Co-ordination and Research—\$8,000*

This is to provide for payments under the Isolated Posts Regulations to a staff of four at the Inuvik Research Station.

*Travelling and Removal Expenses—\$59,000*(a) *Departmental Administration—\$41,000*

This provides for the expenses of the Minister and his staff, the Deputy and the two Assistant Deputy Ministers, the staffs of the Executive Offices and the Information Services Division, as well as the advisory services, which consist of the Financial and Management Adviser, the Personnel Adviser, the Economic Adviser and the Legal Adviser.

(b) *Northern Co-ordination and Research—\$18,000*

To provide for ordinary travelling expenses, removal expenses of employees, travelling expenses of full-time research employees while carrying out field investigations, expenses in attending conferences and other related costs.

This also provides for travelling and living expenses of new full time and seasonal research personnel and for scientific liaison between the Inuvik Research Laboratory and Headquarters in Ottawa.

**Vote 15—Natural and Historic Resources Branch**

The \$42,000 provided for Isolation and Other Allowances is detailed as follows:

(a) House allowance—Honorary Superintendent—Fort Anne National Historic Park	\$ 1,200
(b) Isolated Posts Allowance—Wood Buffalo National Park	25,800
(c) Isolated Posts Allowance—Terra Nova National Park	6,000
(d) Isolated Posts Allowance—Seven Canadian Wildlife Service Biologists in Northwest Territories and Yukon	9,000
	<hr/>
	\$42,000

The \$321,850 provided for Travelling and Removal expenses is detailed as follows:

*Branch Administrations* \$41,150

This provides for travelling expenses of the Director, Assistant Directors, Branch Administrative Officers and Planning Division Officers while on inspection and survey throughout the National Parks and National Historic Parks and Sites. Provision is also made for attendance at conferences and recreational association meetings, relevant to Park Development and for removal expenses. Included also is the sum of \$15,000 to cover a biennial national conference in Ottawa of Regional Officers, National Parks Superintendents and National Historic Sites Superintendents, and Custodians to discuss policies and development, promote unity of purpose and provide a forum for common problems.

*National Parks and Historic Sites*

\$177,000

This amount provides for travelling expenses of Division Chiefs, Assistant Chiefs and other Headquarters staff of the National Parks Service, Historic Sites Service and Engineering Service while carrying out annual inspections of the National Parks and National Historic Parks and Sites and also includes travel of Park Superintendents National Parks Officers, Park accountants and others while on duty away from their headquarters. Provision is also made for removal expenses resulting from transfers of personnel within these Services. In the past, the travel allotment covered only emergency travel and limited inspections. However, there is a definite need for more travel in recent years to provide for our increased responsibilities in historical and archaeological research, liaison with provincial, municipal and national organizations and more frequent inspections of National Parks and National Historic Parks and Sites

*Canadian Wildlife Service*

\$103,700

These funds provide for travelling expenses of biologists, seasonal technical assistants, technicians and migratory bird wardens on field investigations in connection with scientific work. Also covered are the travelling expenses of head office staff for inspection and administrative purposes; removal expenses of staff who will be transferred to new locations and travel of scientific staff to technical meetings and conferences.

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 \$321,850
 

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 DEPARTMENT OF NORTHERN AFFAIRS AND NATIONAL RESOURCES  
 WATER RESOURCES BRANCH

## Vote 30—Water Resources Branch

## (a) Isolation Allowance—\$17,000

This is for payment of allowance to six employees at Whitehorse and eight at Fort Smith.

## (b) Travelling and Removal Expenses—\$190,000

This amount is to provide (a) payment of expenses of reassigned employees (12,000) (b) the payment of expenses of Head Office personnel for attendance at national and international board meetings and attendance at conferences related to national and international organizations (28,000) (c) and payment of expenses for 145 professional and technical personnel engaged on surveys and investigations, for staff of the Columbia River Treaty Permanent Engineering Board and for operating expenses of 113 vehicles.

## Vote 45—Northern Administration Branch

## Isolation and Other Allowances—\$1,329,600

The Isolated Post Regulations provides for payment of monthly allowances to government employees at Isolated Posts. This allowance is based on cost of living, services and amenities at various locations and varies with each location. The Northern Administration Branch has a total of 1,302 positions established at Isolated Posts. The average



amount of these allowances is approximately \$1,020 per annum. Reductions in the rate of allowances during 1964 has reduced this average from approximately \$1,200 per annum the previous year.

**Travelling and Removal Expenses—\$988,800**

Staff required for the administration of the north are located at remote locations which are not readily accessible by normal means of transportation. As a result, removal of Departmental employees is extremely costly and accounts for at least \$300,000 of the amount. The balance is required for inspections, investigations and ordinary travel expenses. When considering the high cost of air transportation in the north, this amount provides an average of only \$415 per employee per annum.

## APPENDIX "C"

GEOGRAPHICAL DISTRIBUTION OF ESTIMATES OF THE FISHERIES RESEARCH  
BOARD OF CANADA  
(other than Headquarters Administration expenses)

	1965-66	1964-65
	\$	\$
<b>VOTE 20—OPERATION AND MAINTENANCE</b>		
Biological Research Stations and Units:		
St. John's, Newfoundland.....	905,800	814,500
St. Andrews, New Brunswick.....	1,162,000	1,022,000
Arctic Unit (Montreal, Quebec).....	328,000	309,000
London, Ontario.....	778,700	765,000
Nanaimo, British Columbia.....	2,008,000	1,941,450
Technological Research Stations and Units:		
St. John's, Newfoundland.....	62,000	63,000
Halifax, Nova Scotia.....	589,000	497,630
Grande-Riviere, Quebec.....	117,500	115,000
London, Ontario.....	81,000	78,000
Vancouver, British Columbia.....	397,000	351,920
Oceanographic Groups:		
Halifax, Nova Scotia.....	240,000	135,500
Nanaimo, British Columbia.....	224,000	209,000
Grants for Fisheries Research.....	70,000	45,000
Scholarships.....	30,000	30,000
	6,993,000	6,377,000
Less—Funds to be provided by the International Great Lakes Fishery Commission for work on Lamprey Control and Lamprey Research (in respect of London, Ontario, Biological Station).....	417,000	400,000
	6,576,000	5,977,000
<b>VOTE 25—CONSTRUCTION OR ACQUISITION OF BUILDINGS, WORKS, LAND AND EQUIPMENT</b>		
Biological Research Stations and Units:		
St. John's, Newfoundland.....	132,000	72,000
St. Andrews, New Brunswick.....	785,000	760,000
Arctic Unit (Montreal, Quebec).....	165,000	315,000
London, Ontario.....	30,000	10,000
Nanaimo, British Columbia.....	753,500	298,000
Technological Research Stations and Units:		
St. John's, Newfoundland.....	39,000	32,000
Halifax, Nova Scotia.....	87,500	88,000
Grande-Riviere, Quebec.....	18,000	18,000
London, Ontario.....	15,000	30,000
Vancouver, British Columbia.....	25,000	25,000
Oceanographic Groups:		
Halifax, Nova Scotia.....	20,000	15,000
Nanaimo, British Columbia.....	30,000	30,000
	2,100,000	1,693,000

SOURCE: Pages 154 and 155 of the Main Estimates, 1965-66.



Third Session—Twenty-sixth Parliament  
1965

# THE SENATE OF CANADA

## PROCEEDINGS OF THE STANDING COMMITTEE ON **FINANCE**

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The Honourable T. D'Arcy Leonard, *Chairman*  
The Honourable H. de M. Molson, *Deputy Chairman*

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No. 3

*Third Proceedings on The Estimates*

laid before Parliament for the fiscal year ending 31st March, 1966.

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TUESDAY, JUNE 29, 1965

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### WITNESSES:

*Department of External Affairs:* H. B. Robinson, Assistant Under-Secretary of State for External Affairs; G. A. H. Pearson, United Nations Division. *External Aid Office:* H. O. Moran, Director General. *Department of National Defence:* J. F. Anderson, Assistant Superintendent, Finance.

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### APPENDICES:

- "D" Reply to question by Senator Hollett respecting the Public Servants Inventions Act.
- "E" Reply to Senator Hollett respecting scholarships awarded by the Department of Fisheries.
- "F" Reply to question by Senator Roebuck respecting the use of Bidrin for Dutch Elm Disease Control.
- "G" Reply to question by Senator Pouliot respecting the jurisdiction of the Government of Canada for signing treaties with foreign countries.

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ROGER DUHAMEL, F.R.S.C.  
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY  
OTTAWA, 1965



THE STANDING COMMITTEE  
ON  
FINANCE

The Honourable T. D'Arcy Leonard, *Chairman*

The Honourable H. de M. Molson, *Deputy Chairman*

The Honourable Senators:

Baird	Leonard
Beaubien ( <i>Bedford</i> )	Macdonald ( <i>Brantford</i> )
Beaubien ( <i>Provencher</i> )	McCutcheon
Bélisle	McKeen
Bouffard	Méthot
Buchanan	Molson
Burchill	O'Leary ( <i>Antigonish-Guysboro</i> )
Choquette	Paterson
Connolly ( <i>Halifax North</i> )	Pearson
Crerar	Phillips
Croll	Pouliot
Denis	Power
Dupuis	Quart
Farris	Rattenbury
Flynn	Reid
Gelinas	Roebuck
Gershaw	Savoie
Grant	Smith ( <i>Queens-Shelburne</i> )
Grosart	Taylor
Haig	Thorvaldson
Hayden	Vaillancourt
Hnatyshyn	Vien
Isnor	Welch
Kinley	Woodrow
Lambert	Yuzyk (50)

*Ex officio members*

Brooks

Connolly (*Ottawa West*)

## ORDER OF REFERENCE

Extract from the Minutes of the Proceedings of the Senate, Thursday, May 13, 1965:

"The Honourable Senator Connolly, Q.C., moved, seconded by the Honourable Senator Hugessen:

That the Standing Committee on Finance be authorized to examine and report upon the expenditures proposed by the Estimates laid before Parliament for the fiscal year ending 31st March, 1966, in advance of the Bills based on the said Estimates reaching the Senate;

That the said Committee be empowered to send for persons, papers and records and to sit during sittings and adjournments of the Senate; and

That the quorum of the said Committee be reduced to seven members.

After debate, and—

The question being put on the motion, it was—

Resolved in the affirmative."

J. F. MacNEILL,  
*Clerk of the Senate.*





## MINUTES OF PROCEEDINGS

TUESDAY, June 29, 1965.

Pursuant to adjournment and notice the Standing Committee on Finance met this day at 10.00 a.m.

*Present:* The Honourable Senators Leonard (*Chairman*), Baird, Beaubien (*Provencher*), Bélisle, Buchanan, Burchill, Flynn, Gelinas, Grosart, Hnatyshyn, Isnor, Kinley, Méthot, O'Leary (*Antigonish-Guysborough*), Pearson, Pouliot, Smith (*Queens-Shelburne*), Welch, Woodrow and Yuzyk.—(20)

The Estimates for the fiscal year ending 31st March, 1966, were further considered.

The following witnesses were heard:

*Department of External Affairs:* H. B. Robinson, Assistant Under-Secretary of State for External Affairs. G. A. H. Pearson, United Nations Division.

*External Aid Office:* H. O. Moran, Director-General.

*Department of National Defence:* J. F. Anderson, Assistant Superintendent, Finance.

After discussion, it was agreed to print as Appendices "D" to "G", both inclusive, the following:

"D" Reply to question by Senator Hollett respecting The Public Servants Inventions Act.

"E" Reply to question by Senator Hollett respecting scholarships awarded by the Department of Fisheries.

"F" Reply to question by Senator Roebuck respecting the use of Bidrin for Dutch Elm Disease Control.

"G" Reply to question by Senator Pouliot respecting the jurisdiction of the Government of Canada for signing treaties with foreign countries.

At 12 Noon the Committee adjourned to the call of the Chairman.

Attest:

Frank A. Jackson,  
*Clerk of the Committee.*



**THE SENATE**  
**STANDING COMMITTEE ON FINANCE**  
**EVIDENCE**

OTTAWA, Tuesday, June 29, 1965.

The Standing Committee on Finance, to which was referred the Estimates laid before Parliament for the fiscal year ending 31st March, 1966, met this day at 10 a.m.

Senator T. D'Arcy Leonard in the Chair.

The CHAIRMAN: Honourable senators, I see a quorum, so we can commence.

Before I introduce our witnesses today I would like to put on record that I have received a communication from Senator John J. Connolly, Leader of the Government in the Senate, in reply to a question by Senator Pouliot dealing with the jurisdiction of the Government of Canada for signing treaties with foreign countries. This reply has been tabled in the Senate, and a copy was sent to this committee for our information. Similarly, a copy of a letter from Senator Connolly to the honourable Senator Roebuck, replying to a question by Senator Roebuck dealing with the Dutch elm disease control. Again, that has been tabled in the Senate.

There has also been a similar communication from Senator Connolly, dealing with the question by Senator Hollett as to the operation of the Public Servants Inventions Act, and as to scholarships awarded under Vote 20 of the Department of Fisheries. There is also tabled in the Senate a copy which was sent to us for information.

I do not know if I need go further in dealing with those matters.

Senator ISNOR: Are you including my question with regard to expenditures?

The CHAIRMAN: With regard to the answer to Senator Isnor's question dealing with the expenditures throughout Canada, we did table his question, and the answer is in our proceedings of the last meeting.

Honourable senators, is it your wish that these communications be included in our proceedings?

Senator POULIOT: Mr. Chairman, before we proceed, I am quite surprised that my correspondence with Senator Connolly has been mentioned, because I thought that it was to be left over until after the recess. The answer that was given by the Department of External Affairs was most unsatisfactory. It was meaningless, as are most of the answers that come from that department. I find it unjust for Senator Connolly, who is the Leader of the Government in the Senate, to have assumed the responsibility for the answer. In the House of Commons we know what department answers, and in the Senate it has been the tradition to have the answer in the name of the Leader of the Senate. I find it unfair for him, because it is a fact that the Department of External Affairs gives meaningless answers. As to the correspondence that you have referred to with respect to a question that was answered on June 20, 1963—I do not think you were there at the time, were you Mr. Robinson?

Mr. ROBINSON: No, sir.



Senator POULIOT: In June 1963?

Mr. ROBINSON: No, I was abroad at that time, senator.

Senator POULIOT: I am very glad for you that you were abroad at that time, because the answer was meaningless.

The CHAIRMAN: Was that on the same matter, Senator Pouliot, or on a different matter?

Senator POULIOT: It is not the same thing as is contained in the correspondence referred to.

The CHAIRMAN: No.

Senator POULIOT: But it is a question that I will ask the genial Mr. Robinson, in order to have some kind of answer that is illuminating and informing. I will leave it at that, and give a chance to my colleagues to express their views and he can answer the questions.

Senator ISNOR: In the meantime, Mr. Chairman, I presume there will be a motion to print these communications as part of the proceedings?

The CHAIRMAN: Is it your wish, honourable senators, that they be printed as part of the proceedings of today's meeting?

Senator POULIOT: Including my correspondence with Senator Connolly.

The CHAIRMAN: I have not got that, Senator Pouliot. What I have here is Senator Connolly's letter of June 22, 1963, to you, enclosing a copy of a reply furnished by the Department of External Affairs, and Senator Connolly—

Senator POULIOT: Now you bring it up, Mr. Chairman, I must tell you what is behind it, but I would not have spoken of it if it had not been mentioned.

In the first place, I put the question in the house and I received an answer that was meaningless. I returned it to Senator Connolly asking him to get in touch with the department in order to have a sensible answer, and he got the same answer, which I find insulting for the Senate—not only for me, but for the Senate. I regret to have to say that, but that is that.

The CHAIRMAN: The point about it, senator, as far as this committee is concerned is that in the reply of Senator Connolly (Ottawa West) to you, he said:

Should you desire further detailed information, you might avail yourself of the opportunity presented in the Finance Committee, when officers of the Department of External Affairs give evidence. I am sending a copy of this correspondence to the Chairman of the Finance Committee for his information.

That is the reason why I have tabled it.

Senator POULIOT: That is all right, I do not blame you, but only express my surprise. I am always ready.

The CHAIRMAN: Our witnesses today are from the Department of External Affairs. Mr. H. B. Robinson, Assistant Under Secretary of State for External Affairs, is in charge of the submission to us today. I will ask Mr. Robinson if he will introduce his other assistants and give us a few opening remarks on the position of the Department of External Affairs in so far as our examination of their estimates is concerned.

**Mr. H. B. Robinson, Assistant Under Secretary of State for External Affairs:** Thank you, Mr. Chairman. With me today, honourable senators, I have representatives of both the Department of External Affairs and the Department of National Defence, because as I understand it the subject matter which is of interest to you is of joint concern to those two departments. Mr. John F. Anderson, Assistant Director of Finance, Department of National Defence, and Mr.

Geoffrey Pearson, and Mr. Gabriel Warren, of the Department of External Affairs, are with me. If you ask questions which I am not able to answer, I know that they will be ready to provide answers. All of us hope very much to be able to give satisfaction to you in any questions which you might ask.

With your permission, Mr. Chairman, I will make a brief opening statement, which I trust will provide the background and the foundation on which questions can be asked.

The United Nations, as is well known, is facing a difficult financial situation. Recently the Secretary General of the United Nations estimated that the organization urgently requires \$108.4 million in United States funds to meet its current obligations. It was in order to make a positive effort to arrest this financial crisis, which threatens the future of the United Nations, that the Canadian Government, as part of an initiative involving as well the Governments of the United Kingdom and a number of other nations, including the Scandinavian countries, announced on June 21 that it would donate \$4 million United States dollars to a special fund for the liquidation of back debts of the United Nations.

I thought it might be useful to examine briefly the chronology of recent events which led to this financial crisis.

With the exception of the operation in Korea, which did not engage the financing machinery of the United Nations, the costs of all peacekeeping activities authorized by the United Nations prior to the Suez crisis in 1956 were included in the regular budget of the United Nations, with the required funds being met from the regular assessments paid by member states. These activities in the pre-1956 period were on a relatively modest scale of course and involved the use of military personnel merely in an observer capacity.

However, with the establishment of the United Nations emergency force in 1956, the Organization was faced for the first time with the problem of how to meet heavy peacekeeping expenses. The estimate of costs for the initial year of operation of the United Nations Emergency Force in the Middle East was \$25 million. This was at a time when the regular United Nations budget for all other activities totalled only about \$50 million.

At that time the Canadian Government believed that it would be a mistake for the United Nations to finance the activities of the new force by the uncertain means of an appeal for voluntary contributions. The United Nations force in the Middle East, Canada thought, should be financed by definite assessments which would guarantee more adequately the collective responsibility of United Nations members in the collective effort for peace.

Although the Canadian viewpoint prevailed, there were many who did not agree. A majority of 51 nations supported the assessment resolution, but the Soviet Bloc voted against it and 19 other countries abstained. This was the vote taken in 1956. The U.S.S.R. contended that peacekeeping was the sole prerogative of the Security Council and that the General Assembly was acting illegally in establishing the force and by imposing assessments to pay for the force.

A number of Latin American states questioned the binding character of an assessment to provide funds for an extraordinary expenditure not included in the regular budget. A number of other governments simply pleaded poverty.

In an effort to attract the maximum number of contributors—and, incidentally, to isolate those members who refused to pay as a matter of principle—the developed countries, including Canada, made voluntary contributions which were designed to reduce the scale of assessments for the less developed countries by about half.

This procedure might have been successful, but it was undermined by the Congo crisis in 1960, which precipitated the formation of the United Nations

operation in the Congo and also led to the United Nations undertaking an additional monthly cost of about \$10 million; or a total of something like \$120 million per year.

Peacekeeping expenses now dramatically overshadowed the regular budget of the Organization and this led in turn to greatly increased demands by the less developed countries for financial relief. To make matters worse, a second great power, namely, France, now joined the Soviet Union in active opposition to the principle of compulsory assessments for peacekeeping operations.

To finance the Congo operation, the General Assembly, led by the United States, Britain, Canada and a number of other governments upholding the principle of collective responsibility, continued to support and to adopt resolutions assessing peacekeeping costs for 1961 against the whole membership. At the same time, it became necessary to allow greater deductions to the less developed countries.

By 1961 the financial situation had deteriorated to such an extent that no assessment resolution was enacted. Instead, the General Assembly authorized the Secretary General to float a United Nations bond issue of up to \$200 million and to use the proceeds for purposes normally related to the United Nations working capital fund. Canada purchased \$6.4 million worth of these United Nations bonds.

Honourable senators, to sum up, the financing of the Suez and the Congo operations was done basically by a combination of collective assessments with assistance from voluntary payments aided, in the case of the Congo, by the proceeds from the United Nations bond sales.

As of December 31, 1964 Canada had paid assessments or voluntary payments in respect of the Congo and Middle East operations of approximately \$12.9 million and had waived the recovery from the United Nations of airlift expenses of \$1,701,000, making a total contribution to the Congo and Middle East forces of \$14,601,000.

Senator POULIOT: I do not wish to interrupt, but would you mind tabling a tabulation of all payments made by each member of the United Nations for that business?

Mr. ROBINSON: Yes, senator. I shall probably have to get that information from the United Nations secretariat, but we shall seek to do that and to supply it to the committee at the earliest possible date.

Senator POULIOT: I thought you were informed of the payments made by other countries to the United Nations as soon as the payments were made.

Mr. ROBINSON: I do not have the information with me today. I will see if we have it in Ottawa and if not we will get it from New York as soon as we can.

Senator POULIOT: I thought as soon as a payment was made by a country you were informed that such a country had made such payment, and that you kept ledger records of all such payments and that these ledger records amounted to over 100 pages.

Mr. ROBINSON: There is a special account for each of these peace-keeping operations and we do try to keep abreast of the contributions as they are made, and I would like to provide you with a complete up-to-date copy.

Senator POULIOT: Thank you. What interests us is not only the actual amount paid by Canada but what is paid by Canada in relation to the payments made by other countries. If Canada pays \$14 million, or so, and other countries which are more populous pay half that amount, it makes no sense. I do not feel that Canada should sacrifice herself on the altar of the United Nations. I ask my question so that we will know where we stand and to point out that we should only pay a proper contribution proportionate to that for other countries. I am sure you see my point.



Mr. ROBINSON: I certainly see your point, senator. I have given the figures which Canada had paid in respect of the Congo and Middle East operations up to December 31, 1964, and I will just add that for the current year's operation of the forces in the Middle East we have paid \$590,000. The Congo operation closed on June 30, 1964.

Senator POULIOT: It is finished?

Mr. ROBINSON: Yes.

Senator POULIOT: What was the total cost of the Congo expedition as far as Canada is concerned?

Mr. ROBINSON: The total cost of the Congo expedition as far as Canada is concerned was between \$9 million and \$9.5 million.

Senator POULIOT: What was the result of the participation of Canada in that?

Mr. ROBINSON: I would say, senator, it was to assist in preserving stability in that country at an important stage in its transition from independence. I would not pretend that it was totally successful in this because we have seen that disturbances have continued, but I think it can be argued that if the United Nations had not gone in there the turmoil and bloodshed might have been worse than in fact it was.

Senator POULIOT: Is there more stability now than when it was decided to participate in that venture?

The CHAIRMAN: This might be a question of policy but I think we would be interested in having Mr. Robinson's answer.

Senator POULIOT: I have the greatest respect for Mr. Robinson who is one of the most brilliant deputy ministers we have, but when it comes to questions of policy it is the minister who should be here to answer such questions. We are always on the edge; it is very difficult. I have great sympathy for Mr. Robinson because he is not in a position to answer these questions which are questions of policy to be answered by the minister. The minister should be here today, and that would not prevent the presence of Mr. Robinson. As I have said on all matters of policy, answers should be given by the minister himself on behalf of the Government since Mr. Robinson, in spite of all his qualifications, has no authority to do that.

Senator ISNOR: I was wondering if Mr. Robinson had finished his statement.

Mr. ROBINSON: I have a little more to go.

Senator POULIOT: I did not want to interrupt too much.

The CHAIRMAN: We try to find out ahead of time what the questions to be asked will refer to and the points on which the members of the committee are interested. I am sure the minister will be glad to come here when asked to do so. He was not asked to do so on this occasion because the questions did not seem to involve matters of policy.

Mr. ROBINSON: I have given the amounts which Canada has paid in respect of the assessments for the Congo and Middle East forces. I would now like to say a word about the financing of the forces in Cyprus.

The financing of the force in Cyprus has been accomplished without open dissension at the United Nations, since, unlike the Suez and Congo forces, no compulsory assessments were involved. The Security Council's resolutions which established the force in Cyprus in March 1964 and which have continued it until December 26 of this year provided that it should be financed by the governments which made up the forces and provided also that voluntary contributions could be made to the Secretary-General to support the costs of the force. I might say that the estimated cost to the United Nations for

the United Nations force in Cyprus is \$27.1 million from the inception of the force in March 1964 until June 26 of this year. Now of this figure the United States has pledged \$10.6 million and the United Kingdom has pledged \$5 million. I might say that Canada is not a contributor in this sense because Canada's contribution to the Cyprus operation takes the form of the provision of military personnel and equipment.

In addition to the amounts which Canada and the other member states have paid whether by assessment or voluntary contribution to support United Nations peacekeeping operations, there is another important way in which Canada and a restricted group of other countries provide assistance, namely by the contribution of military personnel. The division of the costs of peacekeeping operations between the United Nations and national governments such as Canada which have contributed military personnel to these operations is governed by principles agreed upon between the United Nations and the individual governments concerned.

With respect to the Congo operation and the Middle East operation the United Nations agreed to reimburse Canada for expenses which Canada would not have had to bear had it not contributed military personnel to those operations. With regard to the Cyprus operation Canada claims reimbursement only for out-of-pocket costs related to Canadian personnel and equipment provided to the headquarters of the force and the headquarters of the Nicosia zone of the force. Otherwise Canada bears all the costs of its contingent in Cyprus which from March 1964 until June 26, 1965 has amounted to \$5,166,000 over what we would normally have paid to maintain these forces in Canada.

Senator BÉLISLE: How much money can we expect to receive back from the United Nations in connection with the Cyprus operation?

Mr. ROBINSON: I shall ask Mr. Anderson to answer that question because the money which we pay for the Canadian force in Cyprus is money which comes from the Department of National Defence budget.

Mr. J. F. Anderson, Assistant Director of Finance, Department of National Defence: For the period from the beginning of the force in March, 1964 to June 26, 1965 we estimate the amount which we will recover from the United Nations will be \$560,500.

Senator YUZYK: Is that out of \$4 million?

Mr. ANDERSON: Out of something over \$5 million.

The CHAIRMAN: Honourable senators will recall that there were certain specific questions which were asked on the supply bills with respect to these costs, and that is the reason why Mr. Robinson and his associates have come here today, to tell us about the costs of these various United Nations operations to Canada. Are there further questions on this?

Senator ISNOR: Mr. Chairman, this is a very fine statement to have on record. It certainly shows that Canada has played its part, and it is only fair that Canada's record should be put on file for future attention and information.

Senator Pouliot raised a question as to the division of budget, I think it was the way he put it. If I am correct, I believe you have a budget committee of the United Nations—

Mr. ANDERSON: Yes.

Senator ISNOR: —where you set the percentage or dollar value to be contributed by the various members of the United Nations—isn't that so?

Mr. ROBINSON: Yes. I might say a word on that point, senator. The scale of assessment for the regular budget of the United Nations assigns a percentage of total expenses to each member government according to its relative capacity to pay, as determined by such factors as a member's per capita income, gross

national product and population. In accordance with the scale, the United States, which is the largest contributor, pays slightly more than 32 per cent, though this substantial percentage is gradually being lowered to 30 per cent. Forty-eight countries now pay the lowest rate of 0.04 per cent. Canada, whose rate is now 3.12 per cent, is shortly to have its rate raised to 3.17 per cent. The 89 less developed countries collectively pay 18 per cent.

Senator ISNOR: What is Russia's assessment?

Mr. ROBINSON: 14.9 per cent.

Senator ISNOR: That has gradually come up in the last few years, I understand.

The CHAIRMAN: Is that the U.S.S.R.?

Mr. ROBINSON: The Soviet Union, but that does not include the individual countries that are associated with the Soviet Union, which all pay a proportion.

Senator KINLEY: These countries that do not pay, do they say they are unable to pay or they are not liable? You say Russia said the Security Council had to deal with this and they had no right to go to the General Assembly. What do you say about that?

Mr. ROBINSON: The Soviet Union claims that according to the charter the Security Council has the sole authority for conducting peace-keeping operations, and has objected throughout to the procedure whereby the General Assembly assumes the authority to conduct these operations. And ever since the Suez operation in 1956 the Soviet Union has maintained the position that the assessments which were made upon them as a result of the General Assembly recommendations were not compulsory because they were not constitutional under the United Nations charter.

Senator KINLEY: Was there a veto on that, or did they agree all together to go into this operation of peace keeping? Did the Security Council do that regularly?

Mr. ROBINSON: In the case of the force in the Middle East there was a veto in the Security Council which prevented the Security Council from acting, and as a result of that the matter was taken up in the General Assembly.

Senator KINLEY: And they over-rode the Security Council?

Mr. ROBINSON: They passed a resolution recommending the establishment of the force.

Senator KINLEY: Is that the key to the objection, that they had to go to the General Assembly from the Security Council and they went where they should not have gone?

Mr. ROBINSON: I think the key to this probably is that the Soviet Union attaches importance to the special position it has in the Security Council by reason of having the veto, whereas in the General Assembly it has only one vote and is liable to be over-ridden by at two-thirds majority.

Senator KINLEY: Do you think there is any virtue in the suggestion that the Security Council, being the strong nations which are permanent members and the others who are elected, should pay for this kind of operation and not go to the General Assembly?

Mr. ROBINSON: I think there is a great deal of merit in the idea that the more developed countries should pay a greater proportion of the peace-keeping costs. And as it happens, the United States, the U.S.S.R., the United Kingdom and France, being four of the five permanent members, are in fact asked to pay a greater proportion both of the regular budget and of the budgets which sustain the individual peace-keeping operations.

Senator KINLEY: But is there any virtue in these nations saying: "You of the Security Council have to deal with this and decide it. You pay for it."?



There might be some reason for it, because they are the strong nations and the nations that have the veto and the nations that have the say, really, to innovate these operations. Is there enough virtue behind this refusal to pay, to make them so anxious about fixing it up?

Mr. ROBINSON: I think that there are so many countries—114 member countries, I think, now—and there is a broad feeling in the General Assembly that all countries should pay some appropriate part of the effort for keeping peace, and even though they have to pay some money they would rather do that, to have the feeling they were contributing to ensure a more stable world.

Senator KINLEY: But they will not pay now?

Mr. ROBINSON: They are paying according to their relative capacity to pay.

Senator KINLEY: But not Russia?

Mr. ROBINSON: No, not Russia.

Senator KINLEY: Nor France?

Mr. ROBINSON: They would pay if an operation was approved and controlled by the Security Council.

Senator KINLEY: And has it been approved?

Mr. ROBINSON: No, sir, not in the case of UNEF.

Senator KINLEY: Has it been vetoed?

Mr. ROBINSON: Yes, in the Security Council.

Senator GROSART: Mr. Robinson, what is the status of the dispute as to the constitutionality or legality of the action of the General Assembly: (a) in initiating these peace-keeping operations; and (b) in making an assessment?

And the second question I would like to ask is: What position does Canada take on that?

The reason I ask this question is that it has been suggested over and over again by leading commentators that the United States and, perhaps, the United Kingdom are really not very anxious to have this power in the hands of the General Assembly.

Mr. ROBINSON: The position which Canada takes on this is, first of all, we accept that the primary responsibility for maintaining international peace and security rests with the Security Council; but that if the Security Council is prevented by the exercise of the veto from establishing peace-keeping forces where these are needed, the General Assembly has a residual right to concern itself with the situation and make recommendations to other member states, as a result of which peace-keeping operations may be set up. If the peace-keeping force is established by the Security Council, with all the five permanent members agreeing, the assessment should normally be mandatory on the membership. If, however, the peace-keeping operation is set up by the General Assembly, then you get the dispute over whether an assessment of the membership is compulsory. The Russians say it is not; the French say it is not. We have said that it is, but we are increasingly coming to the view that unless the great powers all agree that a peace-keeping operation be established it will be very difficult to oblige them to support an operation. Therefore, we think that in the future the most likely solution will be that peace-keeping operations that are established by the General Assembly will involve voluntary rather than mandatory contributions.

The CHAIRMAN: I think, perhaps, there should be added to the answer to your question the fact that the legal point as to the authority of the General Assembly was referred to the International Court of Justice which ruled that the General Assembly did have power to initiate the peace-keeping operations, and to make the assessments.

Senator KINLEY: Do you not think, Mr. Chairman, that there has been a lot of drift? I was down there some years ago when the same problem was being discussed. The idea expressed at that time was that they should be made to pay up, and things should not be left to drift away. I think there has been an awful lot of drift.

Mr. ROBINSON: I think many efforts were made by Canadian governments to get these expenses—

Senator KINLEY: Yes, Senator Blois was there and he spoke on it, but they simply were not paying and did not think they had to.

The CHAIRMAN: There is a question I should like to ask in connection with the figures that Mr. Robinson has given us. Is there still a claim owing to Canada by the United Nations with respect to those expenses incurred in connection with the United Nations Emergency Force and the Congo operation? That is, over and above our contributions are we still owed something by the United Nations? Would you like to deal with that question?

Mr. ANDERSON: For the two operations—one in the Congo and the one in the Middle East—at the moment there is a balance of approximately \$3,700,000 outstanding.

The CHAIRMAN: Is there any suggestion of our contribution of \$4 million, that we are presently making to assist in the financial difficulty of the United Nations, in some way being related to that debt that is owed to us by the United Nations?

Mr. ROBINSON: Sir, the basis on which this contribution of \$4 million is made is that it is an unconditional contribution with the object of assisting in the solvency problem of the United Nations, and creating a better atmosphere for the negotiations that are still taking place down there, so the answer to your question is: No.

Senator BÉLISLE: Mr. Chairman, you mentioned a while ago that the problem had been taken to the International Court of Justice at the Hague, and that they had decided in favour of the United Nations, but it should also be brought out that the judges were not unanimous. Nine were for and five were against, and the judges appointed by the dissident countries voted against them.

Mr. ROBINSON: If I may say so, that was an advisory opinion that was given, rather than a judgment.

Senator BURCHILL: To sum the thing up, at the present time what is the position of the United Nations in respect of peace-keeping operations? You said they were owed \$108 million. How much of that is going to be recovered by these contributions that are now being made?

Mr. ROBINSON: I think the figure at the moment, Senator, is that approximately \$18 million has been contributed voluntarily by the United Kingdom, Canada and the Scandinavian countries. The hope is that more countries will come in and bring this figure up. Naturally, a great deal depends upon the contributions that may or may not be made by the major powers, and in this respect the position of the United States is important. The position of the Soviet Union is also extremely important, as is the position of France and the other major powers, who we hope will come in as a matter of common concern to put the United Nations back on its feet so that it can resume its proper functions.

Senator BURCHILL: In the meantime this money has been borrowed, has it? I am referring to the \$108 million.

Mr. ROBINSON: It is being borrowed from various places, including the Working Capital Fund of the United Nations, which is nominally at \$40 million.

Senator PEARSON: Is that the total debt of the United Nations?

Mr. ROBINSON: It is described as the amount required for overcoming the present financial difficulties of the United Nations.

The CHAIRMAN: That does not include the bond issue?

Mr. ROBINSON: That is right.

The CHAIRMAN: That is paid each year, and the payment for this year is probably included in that figure.

Senator KINLEY: Does all the money that we give them come out of borrowed money?

The CHAIRMAN: Are you asking whether Canada is borrowing money?

Senator KINLEY: Yes. I think we bought some bonds.

Mr. ROBINSON: We bought \$6.4 million worth of bonds.

Senator KINLEY: Is it in our accounts each year?

Mr. ROBINSON: That is in the estimates each year.

Senator KINLEY: What about the expenses that you said were incurred in respect of Cyprus and Suez? Do they include the cost of our military operation?

Mr. ROBINSON: In the case of Cyprus we make no voluntary contribution to the operation, but we do pay the major part of the costs of sending our troops there.

Senator KINLEY: You have received only \$550,000 back and you put \$6 million into it. One of the officers here said you were getting only \$550,000 back.

The CHAIRMAN: That would be received back with respect to the headquarters operation. We are paying the cost of all our other operations, apart from the headquarters operation, ourselves as an indirect voluntary contribution to the peace-keeping operation.

Senator KINLEY: There is this about sending an army there, that we have to pay the men if they are at home anyway, and this type of operation gives them valuable experience. All we are paying is really the difference between the cost of paying them out there and the cost of paying them at home.

Mr. ROBINSON: That is correct.

Senator GÉLINAS: Were the bonds amounting to \$200 million purchased by governments interested in the United Nations, or were the bonds sold at large?

Mr. ROBINSON: Yes, they were.

Senator GÉLINAS: They were bought by governments?

Mr. ROBINSON: Yes, and the Canadian Government bought \$6.4 million worth of those bonds.

The CHAIRMAN: Roughly, the percentage used for assessments was used to measure how much a country should buy in the way of bonds, although I think the United States went considerably beyond its 30 per cent. I think it bought 40 per cent. Canada also went beyond its percentage in buying the bonds.

Mr. ROBINSON: Yes, Canada was the first country to buy United Nations bonds.

Senator YUZYK: Is the contribution of Canada paid in one lump sum?

Mr. ROBINSON: At present?

Senator YUZYK: Yes.

Mr. ROBINSON: The amount of \$4 million that was announced last week will be paid in one lump sum before the end of the current year.

Senator BÉLISLE: Is it possible to know what amount has been paid by the Soviet Union? I am not referring to the peace-keeping operations because they



do not accept them, but, as I understand it, they do pay their general contribution. They have paid their general contribution or their general assessment?

Mr. ROBINSON: They pay their regular assessments regularly according to their own lights. In other words, everything that they regard as legitimate has been paid—and promptly.

Senator BÉLISLE: And so does France.

Senator PEARSON: Mr. Chairman, is there any thought of altering the United Nations' charter, of redrafting the original constitution of the United Nations?

Mr. ROBINSON: From time to time the question of redrafting the charter does come up, but—

Senator PEARSON: Nothing happens?

Mr. ROBINSON: —I do not think the prospects for agreement among the great powers is sufficiently promising to justify a meeting.

The CHAIRMAN: Of course, there is an amendment going through at the present time on the basis of changing the number on the Security Council, that is, obtaining the required number of assents to ratify the change in it.

Senator BURCHILL: With regard to the Soviet Union's attitude of vetoing peace-keeping operations, is that taken to mean that the Soviet Union is opposed to peace-keeping operations?

Mr. ROBINSON: I think I ought to say that the Soviet Union does not always veto peace-keeping operations. It supported the Congo operation, and it also supported the resolution in the Security Council setting up the Cyprus operation.

The CHAIRMAN: It was definitely against the United Nations Emergency Force from the beginning, was it not?

Mr. ROBINSON: Yes. I think the Soviet Union has reacted to a development in which the General Assembly has progressively interested itself more in peace-keeping operations, and it is impressed with the need to preserve the veto and the special position which it gives the Soviet Union, and therefore its emphasis has been on retaining for the Security Council this right and on resisting the pressure to pay compulsory assessments when these are levied by the General Assembly.

Senator BURCHILL: From your answer, I take it that they think that to preserve the constitutional set-up of the United Nations is more important than peace-keeping operations—period?

Mr. ROBINSON: I think they do place very fundamental importance on the veto, but there have none the less been peace-keeping operations which they have been prepared to see set up; so it cannot be said that they are entirely opposed to the concept of peace-keeping operations.

Senator ISNOR: Just as a matter of information, dealing with this \$6.4 million purchased by Canada from the \$200 million issue, is that carried as an asset?

Mr. ROBINSON: Yes.

The CHAIRMAN: And principal and interest are being paid on it, I understand.

I have two questions. I would like to know, first, what is the continuing monthly rate at which our expenses are running in Cyprus and in the United Nations Emergency Force? In other words, how much are military expenses costing us as we go along, month by month, at the present time?

Mr. ANDERSON: I think the cost roughly per month is \$305,000 for Cyprus. For UNEF I have an annual figure, and by dividing it that figure is obtained.

The CHAIRMAN: It is pretty stable, is it?

Mr. ANDERSON: Yes, it is, sir; and this is the out of pocket additional cost. For UNEF the annual cost is \$1,425,000.

Senator KINLEY: Did Russia pay toward the Congo? Did it agree to that?

Mr. ROBINSON: Yes, but they did not agree to the way in which the Congo force was established by the Secretary General, and therefore they refused to pay, although they had supported the resolution to set it up.

The CHAIRMAN: I think perhaps it also should be noted that the Soviet Union, in addition to their regular assessment, are making substantial contributions to some of the voluntary programs of the United Nations, such as the technical aid program, and so on.

I do not know if there are any other questions with respect to the items we have been dealing with. I might say that we were also going to consider the Canadian contribution to the technical aid programs and to the aid to underdeveloped countries. Mr. H. O. Moran, who is with the External Aid Office, is due here at 11 o'clock but he has not yet arrived. Possibly Mr. Robinson, or some of the others, might want to say something on that before he comes, and we can carry on from there, or you may want to ask some questions.

I believe Senator Taylor of Norfolk said he would like to have the information as to what Canada was doing by way of aid to other countries. Mr. Robinson feels that Mr. Moran is the one to answer that question, but he is not here yet.

Senator ISNOR: How many countries were members of the United Nations in 1956?

Mr. G. PEARSON: Between 60 and 70. Many of the new African states came in in 1960.

Senator BÉLISLE: Is it fair to assume that our contribution is approximately the same as the 37 or 38 of the African Asian countries together?

Senator ISNOR: Another way of putting it would be, has Canada maintained its contribution on a percentage basis down through the years?

Mr. ROBINSON: The lowest rate is .04 per cent of the regular budget. That is what 48 countries now pay. Canada pays 3.12 per cent of the regular budget.

The CHAIRMAN: If you were to multiply the contribution of the 48 countries paying .04 per cent, you would find that it is less than 2 per cent per capita of Canada's contribution of 3.12 per cent. So it gives some idea of the relative amounts.

Senator BÉLISLE: Is it possible to have the names of the 48 countries?

Mr. ROBINSON: I am sure it would be possible.

The CHAIRMAN: Would you like this obtained and tabled?

Mr. ROBINSON: Would you like us to send them to you?

The CHAIRMAN: Yes. Perhaps you could do that when you are getting the information for Senator Pouliot, and perhaps we could get one statement to include the amounts paid by the various countries percentagewise.

Senator YUZYK: You could also include the population of those countries as a basis, because I think Canada is making a big contribution proportionately.

The CHAIRMAN: In a way, that is not quite fair, because some countries have a gross national product with a per capita amount of less than \$2 a head.

Senator YUZYK: But would it be possible to obtain that information?

The CHAIRMAN: There is a budget committee report of the United Nations, I believe, from which perhaps we can get the information and make it

available, either for the next meeting, or perhaps it could be made available in some way for the committee.

Senator ISNOR: If that information is to be given, I think it should state the basis on which the assessments are made, because I think they do not simply take in the population, they take in the ability to pay.

Mr. ROBINSON: I think in reply to a question at an earlier stage I gave the various criteria which are taken into account in the formulation of these assessments.

The CHAIRMAN: Honourable senators, Mr. Moran is now here with some colleagues.

Senator KINLEY: May I make a correction of what I may have said incorrectly about the number in the United Nations. I have just checked and it was in 1959-1960 that it was in the nineties.

The CHAIRMAN: I will ask Mr. Moran to introduce himself and his colleagues and carry on in whatever way he wants from there on. I might say that he was once a student of mine in law. He has gone now beyond any training he ever had from me.

Senator ISNOR: He should be pretty good in that case.

**Mr. H. O. Moran, Director General, External Aid Office:** Mr. Chairman and honourable senators, I have with me Mr. E. Drake, my executive assistant. He is a foreign service officer who actually belongs to the Department of External Affairs but is seconded to the External Aid Office for a two-year period. He served for a time in Pakistan and on another occasion for a little more than a term in Malaysia and so is familiar with Southeast Asia.

Mr. B. A. Gunn is the Director of Finance and Administration in our office. This being the Committee on Finance, I thought it would be appropriate to bring our financial officer with me. Mr. Gunn is a former Comptroller of the Rootes Group in Canada.

I am also a member of the foreign service and am seconded while we are trying to establish this office of Government; I will one day return to my own career. My secondment is not for a term certain, as it is for Mr. Drake, who is with us for two years.

I thought the committee would be interested in having a general picture of what Canada is doing by way of external aid. Perhaps I might give the broad general picture.

Being uncertain of what this committee wanted, I have not come with any prepared formal statement. A thumbnail sketch of the Canadian activities in this field would take us back to 1951, when Canada first engaged in what is now called Economic Development Assistance, as a founding member of the Colombo Plan.

In that first year, the appropriation for these purposes was \$400,000.

Senator PEARSON: Who are the members of the Colombo Plan?

Mr. MORAN: There are 21 members. On the developed side there are Britain, Australia, New Zealand, Canada, the United States and Japan. The recipient countries are virtually all of the countries of Southeast Asia, plus Afghanistan which was admitted to membership last year. There are roughly 15 recipient countries and some six donor countries.

Following that entry into development assistance, the appropriations were progressively increased until the Colombo Plan reached a total of \$50 million in the fiscal year 1958-59.

Then Canada embarked on programs for other areas of the world. The first, after the Colombo Plan for Southeast Asia, was a program for the Caribbean, the former Federation of the West Indies. That was followed by



a program for the Commonwealth countries of Africa, in the early sixties. Shortly after that, a program for the French states of Africa was introduced, and the geographical expansion continued last year when, for the first time, Canada undertook a bilateral program in Latin America, by earmarking \$10 million of the soft loan program for exclusive use in that area.

The forms of Canadian aid are three. One is grants or grant aid. This does not require any repayment of capital or interest, so it places no charge on the future resources of the country receiving the Canadian assistance.

The second type is development loans, popularly known as "soft loans" because of their terms, which are up to 50 years maturity, with a ten-year grace period, no interest rate, and a service charge of three-quarters of 1 per cent.

The third broad category is the long-term export credit financing under section 21(A) of the Export Credits Insurance Act.

This last one is not a responsibility of the external aid office because it is not true aid in the sense in which the term is normally used. These are credits on commercial terms, normally at 6 per cent interest, but they do have an aid element in them in that their long maturity period, up to 15 or 20 years, does enable the receiving country to obtain items of capital equipment that it would be unable to purchase on normal commercial terms.

The Development Assistance Committee of O.E.C.D., which is the principal co-ordinating body of the Western aid effort, does permit countries to register as part of their aid effort these long-term export credits. Therefore, Canada like all other donors includes them each year as a figure in its total aid effort.

Those are the three broad forms of Canadian assistance.

As for the categories of aid which Canada offers, again they fall into three groups. One is what we call capital projects. This means the building of power stations and cement factories, the supply of heavy machinery and equipment and things of that nature.

The second is technical assistance, which means sending abroad teachers, professors, technical advisers, and bringing to Canada students and trainees for training programs in this country.

The third is commodity aid, the supply of items like nickel, copper, aluminum, fertilizers, asbestos, foodstuffs and things like that. All of the aid funds are used for purposes of economic development in one of those three categories. All of this money is spent here in Canada, since Canada undertakes only the foreign exchange costs of the project. These projects are joint undertakings, with Canada paying for the goods and services that must be imported, and the receiving country paying all of the costs of local labour and local materials and things of that nature.

On the large capital projects, it is surprising the extent to which it so frequently works out to be about 50-50.

As for the areas in which Canada extends assistance, they include the Colombo Plan area of Southeast Asia, where the bulk of Canadian help goes to four Commonwealth countries—India, Pakistan, Ceylon and Malaysia; with rather smaller amounts to countries like Burma, Thailand, Korea, Viet Nam, Laos and Cambodia.

The second area consists of the Commonwealth countries of Africa such as Nigeria, Ghana, Kenya, Uganda, Sierra Leone and Tanzania. The other program in Africa is in the former French and Belgian states, comprising some 17 countries in all.

The third area is the Caribbean where all of the units of the former West Indies Federation are eligible for Canadian assistance, plus British Guinea and British Honduras.

We have the responsibility for an additional program, namely, the Commonwealth Scholarship and Fellowship Program which is somewhat different in nature because it is really an exchange program throughout the Commonwealth for students at the post-graduate level. Canada undertook to finance one-quarter of 1,000 students which is the number accepted under this program, so we bring about 250 students here for training in post-graduate courses in Canadian universities. Of those I think something like 180 last year were from the developing countries of the Commonwealth.

That covers the form in which our assistance is extended, the three main categories of our aid and the countries to which our aid is directed. I do not know whether, Mr. Chairman, there are any further general comments you would like me to make.

The CHAIRMAN: Perhaps the members of the committee are ready to put questions.

Senator PEARSON: I have a question with respect to exchange students. You used the word "exchange". You bring African students here, but there is no training for our students over there.

Mr. MORAN: This applies, Senator Pearson, only to the Commonwealth Scholarship and Fellowship Program, which, as I say, is somewhat distinctive from our aid efforts generally. Under the Commonwealth Scholarship Program all of the Commonwealth countries undertook to offer scholarships at the post-graduate level for students wanting to study in other Commonwealth countries. Canada brings to this country students who have applied for scholarships from Australia, Nigeria or Pakistan, or in whichever country they reside, and Canadian students apply for scholarships that have been offered by other Commonwealth countries. My recollection is that at the moment there are no Canadian students in Africa under the Commonwealth Scholarship Program, but there are Canadian students in India and Pakistan, and I believe we have had one or two at the University of Malaysia.

Senator ISNOR: Mr. Moran, I wonder if you could enlarge on your remarks with respect to the capital investments or assistance, and tell us the type of—

Mr. MORAN: I did not hear you clearly, Senator.

The CHAIRMAN: The senator is referring to the capital projects that you mentioned.

Mr. MORAN: Do you wish a description of some of them, or the procedure that is followed?

Senator ISNOR: Both.

Mr. MORAN: The Canadian program, like that of all donors including the United Nations, is a responsive program. In other words, we act in response to requests submitted to us by the developing countries. When the request is received we examine it first to see whether it is within the capabilities of Canadian engineers and Canadian construction personnel. If so, we then investigate to see whether the materials and equipment are available in Canada. If those two criteria are satisfied we then apply the normal tests, which might be called economic considerations.

We ask ourselves: Will the project in fact make a contribution to the economic development of the country concerned? Do they have the management personnel needed? Do they have trained people to maintain and operate the plant once it is built? Has provision been made to obtain the raw materials that will be needed in the production of the item?

If the project, after this type of examination, is accepted by the Government for Canadian financing the next step is to appoint a Canadian engineering consultant. At the moment we have about 30 Canadian engineering firms from St. John's, Newfoundland to Vancouver under contract to the External Aid

office working on these capital projects abroad. If construction services are needed from Canada a contract is let for that purpose by way of tender call.

The airport project now under way in Ceylon is perhaps an example where both types of Canadian services are being used. Foundation Engineering Corporation of Toronto are the engineering consultants, and Tallman Construction Limited of Winnipeg is the construction firm on that project.

We enter also into an intergovernmental agreement with the receiving country covering the respective responsibilities of both sides. As I have mentioned, the overseas government supplies the local labour and such local materials as are available, and pays for them with its own funds. The project is carried to completion, when it is handed over with the title being transferred to the receiving government, which owns it and operates it from there on.

Senator YUZYK: Is the Canadian consultant resident in the country throughout the duration of the whole project?

Mr. MORAN: Yes. The life of a project varies, of course, with its nature. The Ceylon airport that I mentioned is expected to take two years to complete. On the other hand, we have just started in India on the Idikki Dam project, which will take in the neighbourhood of four or five years to complete.

Senator YUZYK: And is it expected to withdraw the consultant after that time?

Mr. MORAN: After the project is completed all personnel are withdrawn.

Senator YUZYK: Do some countries continue using the consultants?

Mr. MORAN: The policy of the Government has been to spread these contracts as widely as possible, and for two reasons. One is the distribution of the fees. The second, and the more important, is to give the maximum number of Canadian firms an opportunity of having their name become known abroad, and to gain the experience of working in these overseas countries. This is a valuable by-product to the aid program for Canadian firms, and a number of them have obtained contracts on a commercial basis as a result of this. All of the development going on in these countries is not being financed by aid programs. These countries are doing a great deal with their own resources and many of them have a pre-qualification pro forma which must be filled out, in which one of the questions frequently asked is: Have you ever performed services in this area? Obviously, the company that must answer "no" is at something of a disadvantage vis a vis its competitors who are able to establish that they have had previous experience in that area.

Senator GROSART: I am sorry, Mr. Moran, but I was called away when you started, and you may have answered this question. If you have not, would you tell us what are the present levels of co-ordination of projects among the donor nations?

Mr. MORAN: The principal co-ordinating body of the Western aid programs is the Development Assistance Committee of O.E.C.D. in Paris. Its role is to offer a forum in which representatives of all the western aid-giving countries can come together in order to exchange experiences and seek ways and means of improving the collective western effort. As part of its activities it carries out each year a detailed and critical examination of each member country's program.

I was in Paris earlier this month for the examination of the Canadian program by members of the secretariat and by representatives of all the other member countries. They deal mainly with terms, policy, priorities and procedures.

For a few countries, consortia have been established. India and Pakistan, which are the two major recipients of Canadian assistance, are good examples.



The World Bank has set up a Consortium for each and the membership is 12 countries plus the World Bank. It comes together periodically with representatives of India or Pakistan to examine their national development plans.

India, as you know, is just now drafting its fourth five-year plan. That is being done with the help of experts from the World Bank. When it is ready, roughly next January, it will be made available to all the members of the Consortium, who will come together to discuss and examine it with representatives of India. If it is approved, then the assistance of all the member countries is pledged to the projects included in the five-year plan. Each year they will meet again with representatives of India to examine the segment of the plan which India proposes to carry out over the next 12 months, and if India wants to make any changes, if in the course of the five-year period they decide that a new project should take priority over another already in their plan, they can insert it if they withdraw something of comparable cost. This substitution can only be done with the consent of the member countries, that is, if they intend to look to the member countries to finance the new project.

Senator GROSART: Does that mean you would not normally respond to a request from an industrial country unless coordinated (a) with the various donor countries, and (b) from international agencies?

Mr. MORAN: This is true in the case of those countries for which either a Consortium or a consultative group has been formed but such bodies do not exist for the smaller countries. An example would be the Little Islands in the Caribbean. They are eligible for Canadian assistance, but the amount flowing from outside sources each year is not large enough to justify one of these consortium arrangements. This procedure is really followed only in the cases of large recipients. I mentioned India, for which the member countries have pledged close to \$1 billion for this next 12-month period. In the case of Pakistan, at its pledging conference, the amount was about \$550 million. So it is apparent that in programs of that magnitude some sort of coordinating effort is very essential.

Senator GROSART: In the case of the Little Islands which you mentioned, I presume you would coordinate any aid given by Canada, say with the United Kingdom, for aid?

Mr. MORAN: Very closely, for two reasons. One is the desire to have this coordination, but also because they are dependent territories, and we would in any event have to consult with Britain in respect of the local financing, for example, or on some of the administrative matters. These would have to be settled through London. Although we have direct dealings with the Island authorities they must refer money matters to London.

Senator GROSART: How do you make countries such as the little eight—I mention them because this was mentioned while we were there—aware of the amounts that might be available for each of the islands from Canada, such as this year's amount, which I believe was \$10 million, was it not?

Mr. MORAN: Well, last year there were no allocations for individual units of the little eight, and I would not expect that there will be this year, although the Government has not yet made the country or area allocations for 1965-66. Last year specific allocations were made to Trinidad and Tobago and to Jamaica. As the two independent islands, they received the bulk of Canadian assistance while a lump sum of \$1½ million was allocated for use in the little eight islands. Actually the commitments in the smaller islands ran a little over \$2 million last year, but the initial allocation was \$1½ million. That money was spent on projects proposed to us by the administrations of these islands.

Last year in the small islands we built four schools and several warehouses. One of the great problems in the Caribbean is that after they pick their fruit

they have nowhere to store it. Another of their severe problems is fresh water supply, and we have helped in that respect in two or three of the islands by assisting in the establishment of fresh water supply systems.

In my view, another very vital requirement in these islands is proper harbour and wharfage facilities. I do not know, Senator, if you had the opportunity of seeing the dock which Canada built at St. Vincent. Help of that type appears to be very badly needed in all these small islands.

Senator GROSART: Is there a large gap between the requests for aid from those islands and our response?

Mr. MORAN: I think the requests would be greater in volume and larger in cost if they felt there were unlimited amounts of Canadian assistance available, but they are aware of the size of the pool of money that has been allocated to them, and their requests are related to those amounts.

One thing that frequently is overlooked by the public, when they are talking about the increased requirements of the developing countries, is the absorptive capacity of the countries themselves. Some of these smaller islands realize that the pace of their development has to be geared to their own capabilities. Sometimes it is a problem of continuing maintenance, or sometimes a question of trained personnel, and things of this nature. The example I use in this respect refers to the Commonwealth Education Conference held in Ottawa last September—I picked up the newspaper one night and read that a Canadian had addressed the conference to say that the developed countries should pour tens of thousands of teachers into these developing countries. I had spent that day in three separate meetings with ministers of education of the countries attending the conference and learned from them that while they would like to ask Canada for additional teachers, they were not in a position to accept them at this time, because there were certain conditions precedent, such as the building of schools, available classrooms and accommodation for teachers to live in. The last mentioned is becoming a very acute problem everywhere. Now that they are getting additional advisors and teachers, the problem is how and where to house them. The Canadian record is an example of how the numbers are growing. During 1960 Canada sent 80 people abroad, and last year 545. Next September, when the new teachers go out, we shall have over 700 Canadians in the field. This adds to the responsibility of the receiving country to make available the facilities needed.

Senator GROSART: How many of those are teaching teachers?

Mr. MORAN: They are all secondary school teachers, and all are teaching. I am not sure whether you mean teacher trainers.

Senator GROSART: Yes, that is what I mean.

Mr. MORAN: Fifty per cent are teacher trainers, and we would hope to improve that percentage, if possible, although they are a very scarce commodity in Canada. We are fortunate to have achieved that number.

This might be an appropriate time to say how extremely helpful has been the contribution of all the provincial departments of education in this field. Without their close support we would not have been able to mount this very successful Canadian program. The provinces have not only assisted us in advertising the requirements for teachers, but each has set up an interviewing board on our behalf. We refer to the appropriate provincial department of education all the applications we receive from residents of that province. The board interviews the teachers, carries out certain other investigations and then makes recommendations to us, all of which requires time and effort on the part of the provincial authorities. It has been a valuable contribution to this program and greatly appreciated.



Senator GROSART: The Canadian delegation of the Commonwealth Parliamentary Conference visited the Little Islands, and were tremendously impressed with the experiment of the project in Antigua in respect to the school there. That program brings great credit to Canada.

The CHAIRMAN: Mr. Moran, I am rather interested to hear something from you on the total amount of external aid that Canada is giving in terms of dollars and related to suggested goals of percentage of national income for all developed countries for assistance to the developing countries. Can you say something on that point?

Senator ISNOR: Would you add to that, Mr. Chairman, particularly in relation to India and Pakistan?

Mr. MORAN: As I mentioned in my brief introductory remarks, Canadian assistance has increased progressively over the years. It started with \$400,000 in 1951. The next fiscal year it was increased to \$24.4 million. In 1955 it went up to \$35 million. In 1959-60 it was increased to \$50 million. Then, starting in 1958-59, there was a program for the Caribbean of \$10 million over a five-year period. In 1961 the program for the Commonwealth countries of Africa was undertaken. That was \$10,500,000 over a three-year period. There followed immediately afterwards a modest program for the French states of Africa. Then, last year there was some 50 per cent increase in the Canadian aid resources made available for development assistance, to reach an overall total of \$226 million.

On the basis of gross national product—I am not sure I am a sufficiently good mathematician to know what that amounts to—but I think it is .4 something.

On the question of measuring a country's aid effort, the 1 per cent of G.N.P. was first introduced in the United Nations a few years ago and was adopted by them as an objective. It was suggested by the United Nations as an appropriate contribution by the advanced countries. The Development Assistance Committee has also suggested that DAC member countries should strive for 1 per cent of G.N.P. in the aggregate. This does not mean that each DAC member country must individually reach 1 per cent. At present I think the average of DAC member countries is just under .70 per cent.

Senator GROSART: Does that include the bilateral aid and multilateral aid?

Mr. MORAN: This is bilateral and multilateral; it is the total of the resources made available for development assistance purposes.

Senator GROSART: It would not take in our peace-keeping cost?

Mr. MORAN: No, none of the military expenses or quasi-military expenditures are included in the activities of the external aid office.

Senator GROSART: Would you not agree about the over-all picture, in answer to the chairman's question, that this would be something which would have to be taken in, in measuring Canada's .4 over the over-all .70?

Mr. MORAN: Yes, but this would not apply solely to Canada: it would apply also to the United States and, in large measure, to Britain in some of their overseas areas. The contributions they make to this same type of activity are not included in their aid figures. In other words, the aid about which we are talking this morning is only in the field of economic development.

Senator GROSART: May I ask just one question. Is there any distinction made in compiling these figures between aid given to dependencies and aid which is not given to dependencies?

Mr. MORAN: No, sir.

Senator GROSART: This would make a very substantial difference, if part of the dependencies of, say, a Commonwealth nation, this has been going on



for years. This is an obligation they have assumed in return for certain benefits to their own economy, so this again throws some doubt on the validity of this figure as an accurate comparative analysis.

Mr. MORAN: I think the point you have made can be extended into a number of other fields. This is why we have always had some reservations about the use of cold statistics. The difficulty is that there has never been an agreed definition of what really constitutes aid, and therefore here is no common basis on which to measure individual country's efforts.

Senator GROSART: Or of what constitutes G.N.P.

Mr. MORAN: Or perhaps what constitutes G.N.P. Then, I think you need to analyse the figures for the reasons which you have suggested. The terms of aid for example, are a terribly important factor. This has continuously been emphasized in the Canadian program, and was again raised this month at the DAC meeting where they referred to Canada as leading the way in terms of aid. Canadian aid until about 1961 was solely in the form of grants, non-repayable. Then Canada introduced the long-term export credit financing that I mentioned earlier. When the Minister of Trade and Commerce introduced this program in the House, he described it as a means of making Canadian producers of capital equipment competitive with the terms being offered by the producers of similar equipment in other developed countries. Therefore, it was not introduced in this country, or in other advanced nations which have the same type of financing, as an aid instrument. But as I mentioned earlier, it does have an aid element in it, because of the long maturity period.

You have the situation in Canada of grants, the softest form in which aid comes, at one end of the spectrum and at the other end the fairly hard type of aid. The middle was filled in last year by the soft loans, the interest free 50-year maturity loans, and currently the bulk of Canadian assistance is in the form of either grants or soft loans.

Last year, out of this \$226 million, \$70 million odd was in export credit financing; and the balance was either grants or interest free loans. I would say that terms need to be considered in any country's aid program; other factor is the one you have mentioned, Senator, namely motivation. As you have pointed out, there are countries with constitutional and historical responsibilities to meet—which is not true in the case of Canada. I like to think that, over the years, the motivation underlying the Canadian program has in fact been humanitarian, that is, a desire to share our resources with less fortunate people.

Senator PEARSON: Can you give a picture at all of what the results have been in this area, India and Pakistan? Have they gone ahead a great deal? Is the development in their own country going ahead now as a result?

Mr. MORAN: May I reply to that, Senator, in just a moment when I have given the figures I was asked for by Senator Isnor in the case of India and Pakistan? For India it was \$53 million. The allocation to Pakistan was just under \$30 million.

The allocation to India was made up of \$17 million in grants, \$10 million in loans, \$14 million in food aid, which was on a grant basis; and \$12,500,000 in long-term export credits. That should add up to \$53.5 million.

I think it can be stated without question that, as a result of external assistance from a variety of sources, considerable progress in economic development has been made in both India and Pakistan.

As you know, I lived in Pakistan for two and a half years and was able to see at first hand some of the things that were happening. Also, I have visited frequently both of those countries, in recent years. It is not easy to identify the progress, because so much of the advance is being cancelled out through population increase.

Senator PEARSON: They cannot catch up?

Mr. MORAN: When you consider the population in a country like India increases by more than half the population of Canada every year—their net population increase last year was 11 million people—you can see what they have to accomplish in agricultural production and in all forms of consumer goods, to keep abreast of a situation like that.

Perhaps the fundamental problem facing some of the countries in Asia is the population press.

There have been advances in India in agricultural production over this last decade and yet last year, as you know, they experienced a severe food crisis, in which the Canadian Government, in the final months of the fiscal year, had to seek an additional appropriation of \$7 million. We had already given India during the year \$7 million of wheat and this additional \$7 million was needed to meet a later crisis. The situation is somewhat similar in Pakistan and a number of the other countries out there.

Senator GROSART: On the other hand, Mr. Moran, I understand you to say that all our aid projects are specifically linked to national development projects or programs?

Mr. MORAN: Yes, sir.

Senator YUZYK: How much of our aid is influenced, say, by decisions in the United Nations, or demands to the United Nations? Is our foreign aid program connected with the United Nations in any way at all, or are we doing this pretty well on our own?

Mr. MORAN: The direct connection with the United Nations in the field of aid is through: (a) our annual contributions to the U.N. programs—last year, for example, \$5 million to the U.N. Special Fund, other contributions to the World Food Program, to the United Nations Technical Assistance Program, and to the specialized agencies. And (b) through the co-operation between the External Aid office and the various agencies of the United Nations in the actual implementation of our respective programs. The Canadian programs are bilateral in nature and in operation, but in addition to the figures I have given earlier about numbers of Canadians serving abroad, under the bilateral programs there were some 125 Canadians overseas last year on U.N. assignments. They go out wearing an U.N. hat rather than a Canadian hat but they represent a contribution of Canadian personnel. Many of them have been recruited in Canada on behalf of the U.N. agency by the External Aid Office. The U.N. agencies on their side frequently assist us on particular projects. We work very closely, for example, with UNESCO on the development of our program in French Africa. So there is both a working and a financial link between the United Nations and the Canadian aid effort.

Senator YUZYK: I was very much interested in how some of this is channelled, say, indirectly through the agencies of the United Nations.

Mr. MORAN: The Canadian contribution to the U.N. agencies is in the form of a cash transfer. It is a contribution made each year, and we, of course, have no control over how it is used or where it is used, except to the extent that we participate in committees and have voice in broad U.N. policy.

Senator YUZYK: Is this included in the sum of \$260 million?

Mr. MORAN: Yes.

Senator GROSART: How much of that is bilateral?

Mr. MORAN: I could read the figures to you. Bilateral grant aid is \$60.6 million; food aid, \$22 million—so that is a total of \$82.6 million in the form of bilateral grants. Multilateral grants amount to about \$17.5 million; bilateral soft loans, \$50 million; and bilateral export credits, the long-term credit financing, \$76 million.

The CHAIRMAN: Are there any other questions?

Senator ISNOR: There is one other question. I am going to approach Mr. Moran from a different angle for the moment. What effect have the expenditures on power development in India and Pakistan had in respect to equipment—power equipment I have in mind—on the Canadian manufacturers?

Mr. MORAN: I am not sure I have immediately available the figures on purchases in Canada. I gave some of these in a speech to the Canadian Export Association in Toronto last year but I do have the percentage of our funds spent on this type of equipment. Last year the expenditures on power plants and transmission lines represented 14.2 per cent of Canadian aid funds. That is 14.2 per cent of grants and development loans, not long-term export credits. I am referring only to funds for which my office is responsible.

The CHAIRMAN: Do you want to know how much of that was spent in Canada?

Senator ISNOR: Yes, that is it.

Mr. MORAN: It was all spent in Canada. I would not want to be asked to explain the complicated formula by which he arrived at his calculation, but we had someone make a study on our behalf and he estimated that every \$1 million of aid funds represent 120 man years of work in Canada.

Senator ISNOR: Would you repeat that, please?

Mr. MORAN: Every \$1 million of aid funds represent 120 man years of work in Canada.

The CHAIRMAN: Any other questions?

Senator YUZYK: Is any of this associated with military projects?

Mr. MORAN: None whatever.

The CHAIRMAN: If there are no other questions, I think we have had a very useful morning and have obtained a great deal of information on both aspects of the External Affairs department. On your behalf I want to thank those who have appeared before us. I told you earlier that Mr. Moran used to be associated with me years ago.

Senator PEARSON: He doesn't look any the worse for wear either!

The CHAIRMAN: I didn't tell you, though, he used to be the best baseball pitcher in Toronto, and he showed today that he can still field the tough ones well.

Senator ISNOR: He still uses the curve!

The CHAIRMAN: We are grateful to the witnesses for coming before us today to give the information and help they have given us.

Are there any other comments? If not, the meeting is adjourned. I am not planning any other meetings at the moment, I may say.

The committee adjourned.



## APPENDIX "D"

Reply to Question by Senator Hollett Respecting the  
Public Servants Inventions Act

The Public Servants Inventions Act vests in the Crown the rights to inventions made by public servants when the inventions were made as part of their duties or with government facilities or where the inventions resulted from or were connected with their duties or employment.

The Act also provides for the payment of awards to public servants for these inventions.

These awards are of two kinds. When the invention has some commercial value, this is exploited through the Canadian Patents and Development Ltd., and the award is a share of the money received by the Crown from the sale or licence of the invention. The inventor receives 15 per cent of the annual revenues if they do not exceed \$10,000, and progressively smaller percentages of revenues over \$10,000, and up to \$80,000. He receives 2 per cent of annual revenues over \$80,000. The attached excerpt from the Public Servants Inventions Regulations gives the detailed formula in use. When the invention is not exploited commercially but is used, or has a potential value within government service, the award is based on the benefits or savings to the Crown from the invention.

78 awards of the first kind were made between April 1, 1962 and March 31, 1964. Based on revenue of \$735,573.98, the awards amounted to \$31,835.94 for the two years, and ranged in value from \$6,930.23 to \$7.50. A list of the inventions, inventors, revenue, and awards is attached. The amounts of awards based on 1964-65 revenues have not yet been determined.

In the same period there were three awards under the Public Service Inventions Act for inventions of value to the government but not resulting in revenue to the Crown. They were for \$1,000, \$184.34 and \$92.17. A detailed list is attached.

Attach.

EXTRACT FROM  
PUBLIC SERVANTS INVENTIONS REGULATIONS

## Section 11

(1) Where any money is received by Her Majesty upon the sale, licence or other disposal of an invention vested in Her Majesty by the Act, an award or awards may be paid to the inventor, based on the total amount from time to time so received, but such award or awards shall not in the aggregate exceed

- (a) fifteen per cent of the amount received if the amount received does not exceed ten thousand dollars;
- (b) one thousand five hundred dollars plus thirteen per cent of the amount by which the amount received exceeds ten thousand dollars if the amount received exceeds ten thousand dollars and does not exceed twenty thousand dollars;
- (c) two thousand eight hundred dollars plus eleven per cent of the amount by which the amount received exceeds twenty thousand dollars if the amount received exceeds twenty thousand dollars and does not exceed thirty thousand dollars;
- (d) three thousand nine hundred dollars plus nine per cent of the amount by which the amount received exceeds thirty thousand dollars if the amount received exceeds thirty thousand dollars and does not exceed forty thousand dollars;
- (e) four thousand eight hundred dollars plus seven per cent of the amount by which the amount received exceeds forty thousand dollars if the amount received exceeds forty thousand dollars and does not exceed fifty thousand dollars;
- (f) five thousand five hundred dollars plus five per cent of the amount by which the amount received exceeds fifty thousand dollars if the amount received exceeds fifty thousand dollars and does not exceed sixty thousand dollars;
- (g) six thousand dollars plus four per cent of the amount by which the amount received exceeds sixty thousand dollars if the amount received exceeds sixty thousand dollars and does not exceed seventy thousand dollars;
- (h) six thousand four hundred dollars plus three per cent of the amount by which the amount received exceeds seventy thousand dollars if the amount received exceeds seventy thousand dollars and does not exceed eighty thousand dollars; and
- (i) six thousand seven hundred dollars plus two per cent of the amount by which the amount received exceeds eighty thousand dollars if the amount received exceeds eighty thousand dollars.

Awards Made for Inventions

*Which were Not Commercially Exploited*

April 1, 1962 to March 31, 1964

## Name

J. Deane	Means of Evacuating and Pressurizing a Hollow Body (Rolling Machine) ..	\$1,000.00
P. H. Serson	Station and Portable .....	184.34
W. L. W. Hannaford	Magnetometer .....	92.17

## CANADIAN PATENTS AND DEVELOPMENT LIMITED

## PUBLIC SERVANTS INVENTIONS ACT

## STATEMENT OF AWARDS PAID

During the period 1 April 1963 to 31 March 1964

C.P.D.L. Case No.	Invention	Inventor(s)	Revenue	Awards Paid
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Inventions transferred to the Company under Section 9 of the Act on which awards have been paid.

## NATIONAL RESEARCH COUNCIL

2572	Inorganic Readily Dispersible Solids	I. E. Puddington A. F. Sirianni	5,000.00	750.00
1617	Ear Defenders	G. J. Thiessen	27,739.47	567.99
2541	Improved Earphones	E. A. G. Shaw		
1354-A	Apparatus for Classifying or Settling Fluid Suspensions	B. A. Dunell A. E. Eggleton	800.00	120.00
1952	Settling Device	I. E. Puddington A. E. McIlhinney A. Lorenzo		
3117	High Voltage Capacitance Bridge	N. L. Kusters O. Petersons	150.00	22.50
3126	Current Comparator Device	N. L. Kusters P. N. Miljanic W. J. M. Moore	150.00	22.50
3211	Transistor Multiplier Telemetry	J. K. Pulfer		
3212	System for Black Brant Rocket	A. E. Lindsay	397.14	59.57
3338	Encapsulated Anti-Bounce Circuit	J. Brahan	50.00	7.50
2570-A	Infra-red Ultra Micro Cells Spectrometric Cells Structure	R. N. Jones J. M. A. Nadeau	2,997.19	389.63
3223	Miniature Environmental Chamber	D. M. Makow	375.00	56.25
1510	Coilable Extensible Apparatus	G. J. Klein	619.92	92.98
1810	Drill Pattern Silencer.	G. J. Thiessen	3,313.33	496.99
1547-A	Method of Maintaining Clear Vision in Windshields and the like and Composition therefor	D. F. Stedman	344.73	51.70
1719	Flaw Detector for Paper	M. P. MacMartin N. L. Kusters	3,376.00	506.40
1994	Vernier Potentiometer	T. M. Dauphinee	21,627.30	1,585.08
2576	Direct Reading Resistance Thermometer	T. M. Dauphinee H. Preston-Thomas	2,689.20	403.38
2855	Selector Switch	T. M. Dauphinee	720.00	108.00
2901	Resolving Power Multiplier	B. R. F. Kendall	500.00	75.00
1509	Production of Citric Acid by Submerged Fermentation	S. M. Martin D. S. Clark	536.87	80.53
2904	Citric acid Fermentation with Ferrocyanide Control			
3337	Laser	K. M. Baird	500.00	75.00
2878	Waveguide Tuning Probe	W. J. Bleackley	100.00	15.00
2790	Breakwater Structures	G. W. Jarlan	500.00	75.00
3154	Probe Microphone	E. A. G. Shaw	500.00	75.00



C.P.D.L. Case No.	Invention	Inventor(s)	Revenue	Awards Paid
1951-A	Vacuum Pump and Gauge for Measurement of High Vacuum	P. A. Redhead	1,779.83	237.35
1556	Manually Operated Apparatus for Steering an Object (Electrical)	T. J. Blachut C. J. Van Der Hooven C. R. Clemence	200.00	30.00
1627	Manually Operated Apparatus for Steering an Object (Mechanical)			
2886	Precise Comparator	U. V. Helava	1,308.31	196.25
2568	Interference Filter With Very Narrow Band Width	J. A. Dobrowski	215.25	32.28
2527	Lamp Flasher and Daylight Responsive Inhibiting Means	H. L. R. Smyth	1,980.00	297.00
2530	Automatic Lamp Changer			
3186	Analogue Spherical Triangle Computer	D. M. Makow	200.00	30.00
1877	Release Mechanism for Crash Position Indicator	H. T. Stevinson D. A. Baker H. R. Smyth D. M. Makow S. K. Keays	1,273.97	191.09
2550	Release Mechanism for Crash Position Indicator			
2561	Electronic Control Circuit for Crash Position Indicator			
2694	Pulse Group Generating and Shaping Circuit			

## DEPARTMENT OF NATIONAL DEFENCE

3280	Vehicular Navigation Set	A. C. Smart	500.00	75.00
1752-A	Navigational Computing and Indicating Apparatus	J. G. Wright	180,218.49	3,604.36
2947	Position and Homing Indicator			
2893	Calibrating Heading System	J. G. Wright	2,834.34	425.15
2894	Projector			
2895	Navigational Computer			
2896	Integrated Destination Indicator			
2897	Dead Reckoning Information processor			
2898	Master Direction Corrector	J. V. Weinberger H. A. Delcellier	7,149.64	907.49
1779	Multiple Core Yarn			
1799	R-Theta Computer	J. G. Wright	1,000.00	70.00
2535	Method of Impregnation of Positive Plates by Thermal Decomposition of Aqueous Nickel Nitrate	P. L. Bourgault P. E. Lake D. J. Casey	12,308.51	1,216.67
2737	Sweat Rate Indicator	O. Z. Roy A. C. Custance	200.00	30.00
3135	Automatic Hydraulic Saddle Lock	D. R. Smith W. A. Gibson	901.50	135.22

C.P.D.L. Case No.	Invention	Inventor(s)	Revenue	Awards Paid
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## FISHERIES RESEARCH BOARD

1828	Midwater Fishing Trawl for Herring and the like	} W. E. Barraclough W. W. Johnson D. G. Moore	90.50	13.57
2554	Aluminum Dual-Purpose Midwater Bottom Otterboard			

## DEPARTMENT OF FORESTRY

2654	Method and Apparatus for Detecting Hidden Flaws in Sheet-like Structures	D. G. Miller	642.00	96.30
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## DEPARTMENT OF AGRICULTURE

2938	Preparation of Dehydrated Cobked Mashed Patatoes	E. A. M. Asselbergs H. A. Hamilton P. Saidak	2,114.15	304.83
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## ATOMIC ENERGY OF CANADA

1805	Synthesis of Deuterated Compounds	L. C. Leitch	367.96	55.19
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## APPENDIX "E"

Reply to question by Senator Hollett respecting Scholarships Awarded by the Department of Fisheries.

Scholarships were awarded in 1964-65 to the following:

D. B. Fillion, Edmonton, Alta.,  
Kelvin, Halcrow, Halifax, N.S.,  
P. H. Johansen, Moncton, N.B.,  
J. S. Nelson, Vancouver, B.C.  
D. M. Ogilvie, London, Ont.,  
R. H. Peterson, Fredericton, N.B.,  
G. S. Pond, Vancouver, B.C.,  
R. J. F. Smith, Vancouver, B.C.,  
J. P. Wiebe, Vancouver, B.C.,  
J. Buchanan, Vancouver, B.C.

For 1965-66 the following have been awarded scholarships, some of which are renewals:

R. J. Buchanan, Vancouver, B.C.,  
D. B. Fillion, Vancouver, B.C.,  
P. H. Johansen, Moncton, N.B.,  
R. H. Peterson, Fredericton, N.B.,  
R. J. F. Smith, Vancouver, B.C.,  
J. P. Wiebe, Winnipeg, Man.

In addition to the foregoing, there have been special scholarships to Memorial University, St. John's, Nfld. These have been granted to:

W. H. Lear, St. John's, Nfld.,  
G. H. Winters, St. John's, Nfld.,  
L. S. Parsons, Lumsden South, Nfld.



## APPENDIX "F"

Reply to question by Senator Roebuck respecting the use of Bidrin  
for Dutch Elm Disease Control

Several large-scale trials using Bidrin for suppression of insect species that carry and spread Dutch Elm Disease have been carried out in Wisconsin, Ohio, and New York. These trials have produced some promising results but as yet there is no clear indication that the disease has been curtailed by the use of this chemical.

Bidrin is extremely toxic both to plants and animals. It acts as a systemic poison, that is, it is transported throughout the bascular system of the plant. It does kill bark-beetles that attack treated trees but whether or not insect suppression takes place before the beetles have transmitted the infection is not clear. Because of its high toxicity to trees, it is difficult to achieve a favorable balance between effective control of bark-beetles and poisoning of the tree.

The Departments of Forestry and Agriculture are not recommending the use of Bidrin for Dutch Elm Disease Control because:

- (a) It is extremely toxic to mammals and birds.
- (b) Its high toxicity to trees makes it difficult to use.
- (d) Insufficient evidence of its effectiveness in disease control is available.

Until it is proven to be effective, the present recommendations for the protection of elms from Dutch Elm Disease should be followed: a combination of vigorous sanitation (removing and burning dead and ailing trees) and the application of DDT or Methoxychlor in the spring.

## APPENDIX "G"

Reply to question by Senator Pouliot respecting the jurisdiction of the Government of Canada for signing treaties with foreign countries.

The answer to the first part of the question is yes. Under the constitution of Canada, the Federal Government has exclusive responsibility for the conduct of external affairs as a matter of national policy affecting all Canadians. Accordingly, the Federal Government represents all of Canada on the international plane. As was pointed out by the Secretary of State for External Affairs on March 1st, one, if not the most important, attribute of this international personality accruing exclusively to the Canadian Government is the power to negotiate and conclude agreements or treaties of a binding character in international law on behalf of the whole country or any part thereof with foreign countries.

On the other hand, our constitution, as it has been interpreted, confers upon provincial governments the exclusive power to implement domestically agreements entered into by Canada in certain fields including education. The Government believes that practical arrangements can be worked out which will take full account on the one hand of the provincial competence in the field of education and in other similar fields and of the provincial interest in the international aspects of these matters and on the other hand of the fact that the Federal Government has the sole responsibility for the conduct of the external relations of this country.

Government  
Publications



20.8.3.66

Government  
Publications

~~Canada.~~  
~~Parliament.~~  
~~Senate.~~  
~~Standing Committee on Finance~~  
1965

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